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XINHUA NOTES 'GREAT UPROAR' OVER U.S.-IRAN DEAL

OW240819 Beijing XINHUA Domestic Service in Chinese 1244 GMT 17 Nov 86

["Roundup by XINHUA reporter Shi Lujia: A Great Uproar Caused by U.S.-Iran Secret Contacts"]

[Text] Washington, 16 Nov (XINHUA) -- U.S. President Ronald Reagan recently confirmed that, during the past 18 months, his government has made many secret contacts with Iranian officials and provided Iran with small amounts of "defensive weapons and spare parts." However, he emphatically pointed out that those contacts and weapons for Iran had nothing to do with the release of three American hostages by the Lebanese Party of God organization supported by Iran. He said that the United States had not made an "arms-for-hostages swap" with Iran and that U.S. policy toward terrorism remained unchanged.

The news of the U.S.-Iran secret contacts was first revealed by a Lebanese news weekly early this month. Later, Iranian parliamentary speaker Rafsanjani said at a public occasion that the United States was using all channels to "beg" for talks with Iran. The United States attempted to "correct its past mistakes" and mend relations with Iran by taking the opportunity to solve the problem of American hostages detained in Lebanon. He also said that not long ago, former U.S. National Security Council head Robert C. McFarlane secretly sneaked into Iran with President Reagan's letter but was "detained" and "expelled" 5 days later. Rafsanjani declared that all U.S. efforts were futile.

Following the leak of the news, strong repercussions were felt in the United States. Members of the U.S. Congress demanded that the Reagan administration explain the true facts about the matter. The news media closely followed the events and, using all possible sources, vividly described the secret "arms-for-hostages" deal. There were also rifts within the government. Secretary of State Shultz and Defense Secretary Weinberger stated that they did not know all the details of the affair and expressed their deep dissatisfaction. The news media reported that Shultz might resign because of this event. Some of the United States' Western allies were also quite disconcerted. Those Arab countries which supported Iraq in the conflict between Iran and Iraq were also shocked. The Reagan administration found itself in a passive and very awkward position.

After bracing himself for the uproar and bearing with it for more than 1 week, Reagan was forced to make a personal explanation to the American public. He confirmed that the United States had, in fact, made secret contacts with Iran, but stated that he had acted to implement a policy with four goals: To renew a relationship with Iran; to end the war between Iran and Iraq in a creditable way; to eliminate state-sponsored terrorism; and to effect the safe return of all detained Americans. According to him, Iran stopped supporting terrorist activities against the United States following initial contacts. Accordingly, he decided to raise contacts to a higher level and dispatched former National Security Adviser Robert C. McFarlane, who was in charge of contacts with Iran, to Teheran this spring. The dialogues continued and gradual progress was made. Reagan stressed that the United States tried to improve relations with Iran because of its crucial strategic importance and also for the purpose of "helping Iran maintain its independence and avoid being controlled by the Soviet Union."

Judging form the reactions of various sides in the past several days following Reagan's remarks, it seems his explanations couldn't stop people's criticism against U.S.-Iran secret contacts or eliminate people's doubts about the real motive for the U.S. action. Criticism from various sides centers on three points:

1. The United States always advocates the policy of no compromise toward terrorism and has been urging other countries to do the same. Now it is dealing with Iran, which is considered one of the countries supporting terrorist activities; thus, the United States has lost its credibility.

2. The United States always flaunted its neutrality toward the war between Iran and Iraq. Now it has secretly supplied weapons to Iran and thus given up its principles.

3. The United States has regarded Iran as a hostile country and refused to have any relationship with it since the detention of U.S. diplomats and severance of diplomatic relations between the two countries 6 years ago. Now the United States is taking the initiative to seek peace with Iran in order to save a few hostages. Thus, the United States has lost face.

U.S. Senate Democratic leader Robert Byrd said that making contacts with Iran was a "major foreign policy blunder" and called for holding a hearing into the matter to further explore the actions taken by the Reagan administration. He also called for the resignation of current National Security Adviser Poindexter, who is specifically responsible for the secret contacts. The spokesman for French Premier Chirac said: In the future, if the United States wants to lecture on how to deal with terrorism, "it had better see to its own behavior first." Arab League Secretary General Chedli Klibi held that the United States violated its neutrality toward the war between Iran and Iraq and has now brought a new factor of danger to the tension between the Arab world and the United States. The United Arab Emirates' paper AL-ITTIHAD carried a commentary pointing out that objectively, the U.S. action would only prolong the Gulf war.

Of course, there are a small number of people inside and outside the United States who have expressed understanding of these U.S.-Iran secret talks and Reagan's explanations. For instance, U.S. Senate Foreign Affairs Committee Chairman Lugar held that supplying weapons to Iran could be considered as a "gesture of good will" toward the moderate faction of the Iranian Government.

British Prime Minister Thatcher, who recently visited the United States, told reporters that she totally accepted Reagan's explanations, although British Secretary of State for Foreign and Commonwealth Affairs Geoffrey Howe earlier expressed a different opinion and candidly stressed that Britain would never deal with terrorists. The Japanese Foreign Ministry held that the resumption of dialogue between the United States and Iran would be conducive to realizing peace in the Middle East.

At present, the situation is still developing. It seems that the Reagan administration still must go through more twists and turns in order to calm this storm.

XINHUA NEWS ANALYSIS ON USSR-FRG TIES 'FREEZE'

OW221408 Beijing XINHUA in English 1146 GMT 22 Nov 86

["News analysis by Xia Zhimian: Behind [the] Soviet 'Freezing Offensive'"]

[Text] Bonn, November 21 (XINHUA) -- Moscow cancelled a series of visits by Soviet and Federal German ranking officials this month.

In early November, it rejected the scheduled visit to Moscow by Federal Germany's Minister of Research, Heinz Riesenhuber.

Last Tuesday, Moscow cancelled the trip to Bonn by Soviet First Vice-Premier, Vsevolod Murakhovskiy.

It called off the Bonn trip on Friday by Soviet Vice-Premier, Aleksey Konstantinovich Antonov scheduled November 27. At the same time, Bonn called off the trip to Moscow November 23 by Volker Ruehe, vice-chairman of the parliamentary group of the Christian Democratic Union and Christian Social Union as he had not received the itinerary and a visa from Moscow until noon Friday.

The Soviet Campaign, termed as a "freezing offensive" by the press here, was touched off in late October when Chancellor Helmut Kohl compared Soviet leader Mikhail Gorbachev with Hitler's propaganda chief Paul Joseph Goebbels in an interview with NEWSWEEK magazine.

In his interview published in the October 27 issue of NEWSWEEK, Kohl said both Gorbachev and Goebbels were experts in "public relations." The comparison created an uproar in the Kremlin.

Kohl's explanation that he did not mean to compare the two men failed to stop the slide in bilateral relations.

Another cause of the "freezing offensive" is the upcoming election in Federal Germany.

Chancellor Helmut Kohl's Christian Democratic Union has a chance to win enough votes in the January election to become the only ruling party. Moscow's cooling of its relations with Bonn may weaken Kohl's position in the election.

Moscow has other reasons to see Kohl defeated.

First, the Kohl administration's stance on disarmament annoys Moscow. It demands that U.S. President Reagan strike an agreement on Soviet superiority [as received] in short-range missles and conventional forces in Europe when negotiating an agreement on strategic and medium-rage missiles with Moscow.

Second, Federal Germany supports the U.S. Strategic Defence Initiative, or the Star Wars program, which the Soviets fear and criticize.

In 1983 Federal Germany became the first West European country where the U.S. deployed medium-range missiles. All these elements added up to the Soviet "freezing offensive".

Wolfgang Schaeuble, minister of state at the Chancellor's Office, said Federal Germany would not be nervous at the Soviet cancellation. "We can still spend Christmas without the Soviet guests," he added.

However, relations between the two countries will not freeze forever as Moscow is always practising a stick-and-carrot policy to such a major Western country as Federal Germany. It depends on the Kremlin's needs when to brandish the stick and when to offer the carrot.

Government spokesman Friedhelm Ost appealed to the Kremlin to appraise its interests correctly and return to cooperation policies.

U.S. HEARINGS ON IRAN ARMS SHIPMENT REPORTED

OW220236 Beijing XINHUA in English 0217 GMT 22 Nov 86

[Text] Washington, November 21 (XINHUA) -- The Senate and House intelligence committees today held closed-door hearings on the Reagan administration's secret arms shipments to Iran.

National Security Adviser John Poindexter briefed members of both intelligence committees at the White House on U.S. contact with Iran.

On Capitol Hill, William Casey, director of the Central Intelligence Agency (CIA), spent the day testifying on the same topic. The hearings are the first since the disclosure of the arms sales plan earlier this month.

"I find on the basis of what we heard that this whole operation was incredibly clumsy and amateurish," Senate Democratic leader Robert Byrd said after Casey's testimony.

"The administration ought to try to repair the credibility of this country, and the President ought to have a complete review of his foreign policy," Byrd said.

"I can't believe what I heard," Democratic Senate Patrick Moynihan said. "It is hard to believe that such things can be planned and undertaken."

Another Democratic senator, Patrick Leahy, said: "This is not a public relations disaster; this is a national security disaster."

Republican Senator Richard Lugar was less harsh, saying that the White House is not falling apart, but it needs to be strengthened."

President Ronald Reagan has repeatedly denied that his administration's secret arms shipment to Iran violated U.S. laws.

But the key congressional legislators are insisting that Reagan broke the law by not informing Congress of the operation. The Intelligence Notification Law says that the President must notify the House and Senate Inteligence Committees of such operations "in a timely fashion."

Meanwhile, the Pentagon sources said today that the Defene Department had transferred more than 2,000 TOW (tube-launched, optically tracked, wire-command-linked guided missile) and anti-tank missiles and more than 200 Hawk anti-aircraft missiles to the Central Intelligence Agency for shipment to Iran.

Jim Wright, the Democratic representative who is expected to become House speaker in January, said Iran paid more than 12 million U.S. dollars for weapons it purchased from the United States.

Wright said Israel, acting with the approval of the United States, had shipped to Iran 2,008 TOW missiles and at least 235 Hawk missiles, a quantity of weapons much greater than previously estimated.

According to U.S. military experts, the American missiles sent to Iran would provide that country with significant striking power in its war with Iraq.

DENG, HU CITED ON U.S. ROLE IN REUNIFICATION

HK210349 Hong Kong HONGKONG STANDARD in English 21 Nov 86 p 8

[By Chan Wai-fong]

[Text] The feeling that the United States still plays a crucial role in the reunification of China is a sentiment shared by top Chinese leaders.

Both Deng Xiaoping and the General-Secretary of the Chinese Communist Party, Hu Yaobang, were reportedly quoted on several occasions as saying that the Americans have everything to do with China's reunification with Taiwan.

In an article in the latest issue of the political magazine, WIDE ANGLE to be published soon, General-Secretary Hu was said to have told two former Taiwanese politicians of the Tangwai (opposition party) the reason for his visit to the U.S.

"The United States has invited me several times for a visit. I told them that I will not go unless it is certain that I will not return empty-handed," said Hu during the meeting at Zhongnanhai (the residence of top Communist Party members) last month.

The two politicians were Mr Wang Shun-hsing and Mr Chang Chun-nan.

Mr Wang thought the statement conveyed a significant message. He said later that Mr Hu hinted that his U.S. visit depended much on the Americans' sincerity to push ahead with China's long-cherished dream of reunification with Taiwan.

Quoting a reliable source in Beijing, the writer of that article said a similar sentiment was shared by Mr Deng.

Mr Deng has reportedly said that the Americans have been interfering with China's reunification.

He also made no secret of the fact that the Taiwan problem has -- and will be -- a major obstacle to the betterment of Sino-American relations.

Mr Deng, according to the article, criticised the Americans' policy of non-interference as unfounded. He has urged the Americans to help influence Taiwan to step-up communications with the Mainland so that the reunification can materialise.

Ever since 1972, when the Sino-American relations were restored, Taiwan has been an important issue on the agenda in talks between the two countries.

Given the historic and economic ties between the U.S. and Taiwan, the efforts of the American Government to attain better relations with the Mainland have been constantly criticised by U.S. businessmen, who have major investments in the island republic. [paragraph continues]

In fact, there is still a strong Taiwanese lobby in the U.S. that is exerting pressure on the administration to ensure that its bid to warm ties with China does not proceed at the expense of Taiwan.

Nevertheless, with China's open-door policy and the enormous market potential in the Mainland, there are signs that the situation may change.

Statistics show that trading between the U.S. and Taiwan has been on the decline, while economic ties between the U.S. and the Mainland are rising considerably.

U.S. military support to Taiwan was once considered another major obstacle to China's plans for reunification.

Likewise, the recent visit of American warships to Qingdao and the signing of arms deals between both countries are important hints that the U.S. stance has shifted considerably.

The meeting between Mr Hu and the two politicians is a significant step in persistent Chinese efforts to bridge the Straits.

Mr Hu emphasised that China would try to solve the Taiwan question peacefully, but ominously perhaps, has not ruled out the possibility of "using other means." Though Mr Hu did not exactly state what other means China had in mind, the statement was a thinly-veiled reference to the use of force.

LIAOWANG ON U.S. 'DISINFORMATION' SAGA

HK131519 Beijing LIAOWANG in Chinese No 44, 3 Nov 86 p 25

[Article by Li Nan (2621 2809): "A Talk Beginning With the U.S. 'Disinformation" Incident'"]

[Text] People may still remember that in the latter part of August this year, a news report came from the United States: A tense atmosphere reappeared as the United States was prepared to continue attacking Libya. The first to carry the report was THE WALL STREET JOURNAL of New York. This newspaper also reported that the Libyan Government was unstable and that Al-Qadhdhafi's chief assistant was disloyal to him. The news was attributed to more than 40 sources, including "top-level officials," "officials unwilling to reveal their identity," and so forth.

After the publication of this unique report by THE WALL STREET JOURNAL, other newspapers and magazines asked their reporters to cover news of the same kind. All others soon caught up. Suddenly news reports on the matter reached every part of the world, once more arousing people's concern over the tense situation in the Mediterranean. At that time, few people thought that they were being fooled and tricked.

But nothing can conceal the truth. Not much later, in early October, the truth came out. It turned out that all these news reports had been willfully fabricted and spread by U.S. Government officials as disinformation. On 2 October, THE WASHINGTON POST, which exposed the "Watergate incident," reported that this news was fabricated and revealed to U.S. press circles a "disinformation plan" drafted by U.S. National Security Affairs Advisor Poindexter. This plan was submitted in the form of memo to President Reagan for approval, and then referred to the State Department, the Central Intelligence Agency, and other organs, for execution.

In line with this plan, stories, true or false, were to be spread to make Libyan leader Al-Qadhdhafi feel uneasy and to cause internal turmoil, with Al-Qadhdhafi eventually being removed. To give the impression with these stories that something was really the matter, a State Department spokesman announced the day after their publication by THE WALL STREET JOURNAL, the dispatch of Permanent Representative to the United Nations Walters for discussions with West European allies on the problem of continued terrorist activity by Libya and the adoption of new measures against Libya. The U.S. military authorities also drafted action plans, some false and some true. It seemed that U.S. airplanes were entering the Gulf of Sidra. U.S. warships were also cruising in waters near Libya.

THE WASHINGTON POST reported that this "disinformation plan" had three parts. Just when the U.S. press was reporting new terrorist activities plotted by Al-Qadhdafi, with opposition at home, this memo and its author admitted that Al-Qadhdhafi was "safe and sound" and had the situation firmly under control.

After the truth of the "disinformation incident" was revealed, the U.S. authorities were at a loss over what to say in explanation. President Reagan denied THE WASHINGTON POST report, but admitted that there had been some memos. A report said that the U.S. Administration asked the Federal Bureau of Investigation to find out who divulged Poindexter's memo. Secretary of State Shultz's explanation of the matter was that the "ends" were being used to prove the "correctness" of the "means." Citing the example of Churchill in World War II of leading the enemy astray, he made things clear that the aim was to lead Al-Qadhdhafi astray. He said: "I do not feel that there is any problem when a little psychological warfare is used to cope with Al-Qadhdhafi." He also said: Let Al-Qadhdhafi guess before he sleeps what the United States will do. Poindexter, who prepared the memo, especially stressed that for the sake of national security and for foreign policy reasons, the U.S. Administration could use these means.

These explanations by the U.S. authorities even failed to convince U.S. press circles. Some newspapers pointed out that this was abusing the American people's trust in the administration and that it was a big scandal. Some also pointed out in comments that, from a long-term point of view, willful deception hurt the United States itself, even if it could do Al-Qadhdhafi harm.

State Department Spokesman Bernard Kalb announced his resignation after the exposure of this incident, because he worried that this act of disinformation would make people doubt U.S. credibility.

In summing things up after the incident, it seems that U.S. officials wanted to write this incident off as just a little lie and just an attempt to use the press in conducting a psychological war. It was claimed that it is a matter of long standing for the U.S. authorities to create rumors and utter lies on some international problems. It is common knowledge that the administration in quite a few past terms has a record in this respect. In fact, it should be noted that such "a disinformation plan" or "rumor-mongering strategy" is quite risky. Using such means to cope with or to attempt the subversion of another sovereign state and to secretly hurt its leading personnel not only runs counter to the most fundamental international standards of behavior, but is very likely to cause the instability of a state and thus trouble in a region. This is an act obviously harmful to a state's stability, the region's order, and world peace.

At present, there are many flashpoints likely to cause an outbreak of war in the world. The Mediterranean is a region full of contradictions and dangers, with things already quite unstable there. [paragraph continues]

The creation of false information was combined with an attempt to pass it on to West European allies, with relevant stories brought to Libya. It is quite obvious that this could very easily give rise to an armed conflict. A report said that some top-ranking U.S. officials hate Al-Qadhdhafi deeply. On the other hand, Al-Qadhdafi harbors bitter hatred in his heart. Given a long accumulation of hatred and a spark provided by disinformation, the future situation in that region is really cause for concern. The U.S. aisde said that the current fabrication of false information was aimed a deceiving Al-Qadhdhafi and putting pressure on him. There was no intention to bring about a conflict between the two countries. This is one way of putting things. But in history, there has been more than one case of fabricating false information to provoke an outbreak of war. Touching on the tense relations between the United States and Libya in explaining this "disinformation incident," Shultz said: "We did not declare war, but have come close to it." This is really worth pondering as a cause for concern.

At this very time, U.S. newspapers and magazines have said that another superpower was also adopting a similar method of spreading false information. The United States will launch an offensive against this practice, establishing an office that takes charge of surveillance and undertakes to quickly respond with countermeasures. This office is made up of an officials of the National Security Council, the Central Intelligency Agency, and the Federal Bureau of Invesitigation.

This is no way of putting things. Twenty years ago, the United States also made a similar accusation and made a cry for a time. With the passing time, the matter has been gradually forgotten. Now an opportunity is being seized to raise the issue again. If this is the truth, then the practice of concocting false information is especially risky. With the war threat not removed today, peace-loving people should maintain vigilance!

NANJING MILITARY LEADER MEETS U.S. ARMY CHIEF

OW220826 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 20 Nov 86

[Text] Xiang Shouzhi, commander of the Nanjing Military Region, and his wife Zhang Lin met and feted U.S. Army Chief of Staff General Wickham, and party at Huadong Restaurant in Nanjing last night. On behalf of the commanders and fighters of the Nanjing Military Region, Commander Xiang Shouzhi extended a warm welcome to General Wickham on his visit. He said: The Chinese and the U.S. Armies have increased exchanges in recent years. U.S. military guests have visited our military region on many occasions and promoted friendship between the Chinese and the U.S. Armies. The current visit by General and Mrs Wickham has further deepened our mutual understanding. General Wickham said: Since our arrival in Nanjing, we have experienced the Chinese people's friendship wherever we go. The U.S. and the Chinese Armies can cooperate in many areas. Enhanced exchanges between us will further promote friendship.

Attending the banquet were (Song Wenzhong), director of the Alien Affairs Bureau of the Defense Ministry, who was accompanying the guests, and his wife Cao Lianxue: Colonel (Wilhelm), military attache of the Army of the U.S. Embassy in China; Liu Lunxian, chief of staff of the Nanjing Military Region, and his wife Kong Sannan; and (Li Jingcai) and (Qiao Guangyu), responsible persons of the departments concerned of the province and the Nanjing Military Region. General and Mrs Wickman and party arrived in Nanjing from Beijing by special plane at noon yesterday.

PRC 'SHOCKED' ABOUT KIM IL-SONG MOSCOW VISIT

OW221043 Tokyo KYODO in English 1029 GMT 22 Nov 86

[Text] Beijing, Nov. 22 KYODO -- Chinese Government sources said Saturday that China was not informed beforehand of the visit to Moscow last month by North Korea's President Kim Il-song, which impaired its relations with North Korea.

When China sent a Communist Party delegation led by Vice Premier Tian Jiyun to Pyongyang on July 12, Tian formally asked Kim to make an official visit to Beijing, while relaying messages from senior leader Deng Xiaoping and General Secretary Hu Yaobang. Although Kim basically agreed to the proposal, he said: "I will be busy around September and October," the sources said.

Kim also failed to disclose his intended Moscow visit to Chinese President Li Xiannian when Li made a state visit to Pyongyang earlier last month.

When Kim visited Moscow later in the month for talks with Soviet leader Mikhail Gorbachev, Beijing was "immensely shocked," the sources said.

The sources declined to comment on whether China had denounced North Korea.

However, they pointed to the fact that China recently decided to participate in the 1988 Seoul Olympic Games and allowed U.S. Navy warships to make a port call at Qingdao, eastern China, the first since the People's Republic was founded.

North Korea also aggravated the matter by complaining of a lack of economic assistance from China, they added.

According to the sources, China has recently informed North Korea of economic aid including 400 tons of oil which it is prepared to sell to Pyongyang at half the price of that from the Western market.

On outlining an overall economic package of aid, China also explained to North Korea its own severe financial situation, the sources said.

FAREWELL PARTY HELD FOR PRC FRIENDSHIP DELEGATION

OW231521 Beijing in Japanese to Japan 2130 GMT 19 Nov 86

[Text] Tokuma Utsunomiya, president of the Japan-China Friendship Association, hosted a farewell party for Zhang Xiangshan, vice president of the China-Japan Friendship Association, in Tokyo on the evening of 18 November. Utsunomiya said at this party that Japanese and Chinese politicians and experts on international affairs should continue to deepen mutual understanding and friendship between them and strive together for the lasting friendship between the two peoples and to defend peace in Asia and the world. Present at the party were Japanese political and academic figures advocating friendship with China, inlcuding Hideo Den, Yohei Kono, Satsuki Eda, Hyosuke Kujiraoka, Masao Shimizu, and Michio Sumiya. Zhang Xiangshan and his party attended a Sino-Japanese Symposium on Peace in Asia before leaving Japan for home on 19 November.

XINHUA REPORTS COUP DIFFUSION IN PHILIPPINES

Roundup Reviews Situation

OW231646 Beijing XINHUA in English 1622 GMT 23 Nov 86

["Roundup by Zhai Shuyao: "President Aquino Fires Her Defense Minister"]

[Text] Manila, November 23 (XINHUA) -- President Corazon Aquino today fired Defense Minister Juan Ponce Enrile and named his deputy, Rafael Ileto, as the new defense chief, amidst widespread reports on [an] alleged military coup initiated by a faction loyal to Enrile.

Appearing in a nationwide television broadcast, the president said that she had asked all cabinet members in an emergency meeting at the presidential palace to tender their resignations in a cabinet revamp to be completed "in the next few days."

The sacking of Enrile and the impending cabinet revamp developed after General Fidel Ramos, the chief of staff of the new Armed Forces, appeared to have sided with the president in what could be considered a showdown battle with the rebellious defense minister, long rumored to be plotting a coup against her.

Reports of a military coup swept the entire nation after some 2,000 soldiers massed in Camp Osmena in Cebu City in what appeared to be another military mutiny yesterday.

Radio stations in Manila were swept by calls from Visayas and Mindanao about reports of troops movements in Metro Manila and alleged kidnapping of the president and some of her cabinet members.

These reports prompted the president to order soldiers to guard the former parliament building, television stations, and other vital installations. The orders came after she conferred with Ramos.

Reports also said that Ramos issued orders today to military commanders to follow orders from him and not from Enrile and Enrile's chief military officer, Colonel Gregorio Honasan.

Reports also said that two trucks of armed plainclothesmen proceeded to the house of a former legislator, where a meeting was taking place on plans to reconvene the Parliament, install Enrile as prime minister and Mrs. Aquino as the figurehead president.

Following all these reports, Ramos issued a statement declaring the military establishment's complete support for the president.

The statement signalled Ramos' break with his old ally who along with him started the February civilian-backed military uprising that toppled the government of deposed President Marcos.

Cabinet members told newsmen that Enrile was summoned to the presidential palace and talked for about 20 minutes with the president who formally informed him of his sacking.

Cabinet members said it was a "unanimous decision" of the cabinet that they should all resign to enable the president to review the performance of the cabinet and replace the "incompetent ones."

Press secretary Teodoro Benigno denied any trade-off or modus vivendi in Enrile's sacking and said that the president simply exercised her powers as chief executive. "She won this time," he said.

The president said she appointed Ileto as the new defense chief because of his "distinguished military and diplomatic record." Ileto was widely regarded as the only general who rejected the 1972 martial law declaration of the Marcos regime. He was a former ambassador to Iran and Thailand before he was named Enrile's deputy.

In calling for a cabinet revamp, the president said: "This would give the government a chance to start all over again."

She said she would announce the composition of the new cabinet in the next few days.

Vice-President and Foreign Minister Salvador Laurel was not around during the cabinet meeting that lasted for more than six hours at the presidential palace. A close political ally said Laurel was in Calatagan, Batangas for a "week-end vacation."

In her TV statement, President Aquino said that she would take "sternest measures" against "those who may be inclined to exploit the present situation."

I have appealed again and again to all sectors of the country to unite in the protection of our democracy and in the reconstruction of our country," she declared.

Mixed Reaction Noted

OW231940 Beijing XINHUA in English 1924 GMT 23 Nov 86

[Text] Manila, November 23 (XINHUA) -- The announcement of President Corazon Aquino's decision to dismiss Defense Minister Juan Ponce Enrile today has touched off mixed reactions while gatherings in Manila and some other cities expressed support for the dismissal.

President Corazon Aquino fired Defense Minister Juan Ponce Enrile amidst widespread reports on alleged military coup initiated by a faction loyal to Enrile.

About 2,000 people attended the National Eucharist Year Mass at the Independence Grandstand here this afternoon. They applauded in approval when President Aquino announced Enrile's dismissal.

The president flew to the gathering by helicopter, immediately after the cabinet meeting during which she asked all cabinet members to resign.

Hundreds of Marcos loyalists showed shock and indignation at their usual Sunday rally downtown this afternoon.

"Why replace Enrile now at a time when the country is facing a very delicate situation?" loyalist leader Lucio de Cala asked.

In Cebu, the second largest city of the country, a crowd gathering to launch the campaign for the new draft Constitution applauded thunderously at the announcement that President Aquino had accepted Enrile's resignation.

"We have witnessed during the last 24 hours, the second revolution. It gave President Aquino a new mandate," a city official said, adding "it removed a discordant element which was disruptive and destructing."

A local official in Davao City said it was about time President Aquino reorganized her cabinet. With the resignation of Enrile, the much-rumored coup may now be a thing of the past.

Former Senator, Rene Espina, secretary general of the United Nationalist Democratic Organization, said this development could trigger further political instability as "the leftist elements in the palace have yet to be fired."

"We will be passing a more difficult period of instability. It's not all over yet as the Armed Forces leadership has to satisfy the demand of the soldiers," he said in a telephone interview. "There will be a second round of fighting," he said.

In a nationwide broadcast today, the president said she asked all cabinet members in an emergency meeting at the presidential palace to resign. A cabinet revamp is to be completed in the next few days.

The decision to sack Enrile and reorganise the cabinet developed after General Fidel Ramos, the chief of staff of the new Armed Forces, appeared to side with the president against the rebellious defense minister, long rumoured to be plotting a coup against Mrs. Aquino.

Reports of a military coup came after some 2,000 soldiers massed in Camp Osmena in Cebu City in what appeared to be another military mutiny yesterday.

Radio stations in Manila were swept by calls from Visayas and Mindanao with reports of troop movements in Metro Manila and alleged kidnapping of the president and some of her cabinet members.

These reports prompted Mrs. Aquino to order soldiers to guard the former parliament building, television stations, and other vital installations. The orders came after she conferred with Ramos.

New Defense Minister Profiled

OW231500 Beijing XINHUA in English 1452 GMT 23 Nov 86

[Text] Manila, November 23 (XINHUA) -- Retired General Rafael Ileto, who replaces Philippines Defense Minister Juan Ponce Enrile who resigned this morning, is one of the military officers appointed by President Corazon Aquino after she assumed power in February.

Observers here noted that the former deputy defense minister under Enrile maintains the confidence of the president.

Before becoming deputy minister, Ileto held two ambassadorial posts after differences with then-President Ferdinand Marcos stalled his military career.

The soft-spoken new defense minister, born in 1920 near Manila, joined the Philippine Army in 1950 and organized and commanded the First Scout Ranger Contingent until 1965.

Ileto entered the University of the Philippines to study the basic course of the Reserve Officers' Training Corps in 1939 and then graduated from the United States Military Academy, West Point, in June 1943.

He is also a graduate of the Philippine Military Academy and since 1945 has completed various military courses in the United States, including a mobilization course, a command and general staff course, a senior officer preventive maintenance course and a defense resource management course.

Ileto was promoted to brigadier general in 1967, to major general in 1972 and to the lieutenant general in 1973.

He was the vice-chief of staff of the Philippine Armed Forces from 1971 to 73.

Ileto could have become the chief of staff of the Armed Forces had he not fallen from the good graces of Marcos.

Apparently to appease him, Marcos named Ileto Philippine ambassador to Iran in 1975, where he served for three years.

In 1978, he was made ambassador to Thailand, where he served until he was named deputy minister by Aquino last March.

LI XIANNIAN MEETS THAI FOREIGN MINISTER

OW240932 Beijing XINHUA in English 0913 GMT 24 Nov 86

[Text] Shanghai, November 24 (XINHUA) -- Chinese President Li Xiannian today urged Vietnam to sincerely settle the Kampuchean issue according to the eight-point proposal put forward by the Democratic Kampuchean Coalition Government [CGDK] headed by Prince Norodom Sihanouk.

It is impossible for a nation to wipe another nation out, said Li at a meeting with Thai Foreign Minister Sitthi Sawetsila at noon here.

He spoke highly of the protracted and tremendous support the Thai leaders and government have given to the Kampuchean people's struggle against the Vietnamese aggressors to save their nation.

He said the tripartite government of Democratic Kampuchea has strengthened its unity, so the situation of the Kampuchean people's struggle is becoming better and better.

Sitthi described Chinese Premier Zhao Ziyang's remarks on the issues of Vietnam and Kampuchea during his recent address to Chinese Frontier Guards along the Chinese-Vietnamese border as "very good", adding that the leaders of the two countries share identical views on the issues.

Sitthi's visit to China has further promoted bilateral friendly relations, Li added.

Sitthi conveyed greetings from Thai King Phumiphon Adunyadet to the president. Li also asked Sitthi to convey his cordial greetings to the king and other members of the royal family.

Li welcomed Thai Prince Wachiralongkon to visit China next year.

Sitthi and his party arrived here from Xiamen by special plane this morning.

ZHAO ZIYANG SPEAKS ON PRC POLICY TOWARD SRV

OW231630 Beijing XINHUA in English 1602 GMT 23 Nov 86

[Text] Nanning, November 23 (XINHUA) -- Chinese Premier Zhao Ziyang said that Vietnam's difficulties at home and abroad, its isolation in the world and its domestic economic plight are the inevitable result of its stubborn policy of aggression against Kampuchea and opposition to China.

Zhao made this statement while addressing Chinese Frontier Guards along the Chinese-Vietnamese border yesterday afternoon.

"As long as Vietnam continues its anti-China activities and aggression against Kampuchea," Zhao said, "China will not change its policy of exerting pressure on Vietnam along the border. And our troops must be ready to take necessary actions at any time."

He said that the Vietnamese authorities recently uttered some high-sounding words for peace, but in fact they do not intend to abandon their basic policy of aggression against Kampuchea and opposition to China.

This policy has led Vietnam to an impasse, he said. The only way for Vietnam to extricate itself from the predicament is to pull its troops out of Kampuchea and stop opposition to China.

By doing so, he added, Kampuchea can have peace, and Vietnam itself can heal its wounds of war, develop its national economy and improve its image in the world. At the same time, Sino-Vietnamese relations will be improved fundamentally, and the hot-spot of war in Southeast Asia will be removed.

The Chinese people's counter-attack in self-defense and firm support to the Kampuchean people's resistance against foreign aggression are aimed at making the Vietnamese authorities abandon their erroneous policy at an early date, he stressed.

Fundamentally speaking, the Chinese premier said, what the Chinese people have done in this regard is also in the interest of the Vietnamese nation.

Zhao, accompanied by Vice-Premier Li Peng and local leaders, inspected and reviewed Frontier Guards in the Guangxi Zhuang Autonomous Region.

NPC STANDING COMMITTEE FAVORS ENTERPRISE LAW

OW211522 Beijing XINHUA in English 1518 GMT 21 Nov 86

[Text] Beijing, November 21 (XINHUA) -- Members of the Standing Committee of China's National People's Congress have spoken in favor of the responsibility system for factory directors and allowing enterprises to have greater decision-making power.

They agreed to this during panel discussions on the state-owned industrial enterprises law. The committee has been in an ongoing session the past few days.

They agreed that the revised draft of the enterprise law was now adequate and should be adopted as soon as possible.

Some members believed that the law, which combines the responsibility system of factory directors and democratic management by workers and also provides factory directors with greater decision-making power, will help bring vitality to enterprises and tap their potential.

Zhang Zhen, a member of the committee, suggested that the law should have a provision saying Communist Party officials in an enterprise should support the director in exercising his management power and supervise the implementation of party and state policies.

Hu Jiwei, also a member of the committee, pointed out in his speech that enterprises and authorities higher up should take equal responsibility for fulfilling the state plan. If economic losses occur because of poor policies and guidance of the higher authorities, they should be held responsible for the economic consequences.

Wu Zhonghua, another member of the committee, suggested that provisions be added to define the responsibilities of higher authorities as in the bankruptcy law so that the enterprise law and bankruptcy law can complement each other.

Some members of the committee also proposed to issue the draft to more people, including all deputies to the National [People's] Congress and most of the state-owned enterprises, to solicit their opinions.

SYMPOSIUM ON POLITICAL REFORM HELD IN BEIJING

OW221255 Beijing BEIJING REVIEW in English 17 Nov 86 p 14-15

[By Chi Fulin]

[Text] Since the Chinese Communist Party set the country on the road to modernization, the orbit of the reforms has been expanding beyond the economic and into the political realm. A symposium on political structural reform recently held in Beijing debated whether political reform should be carried out independently of economic reform. The role of the Party in a reformed China is also discussed.

More than 100 people from the theoretical, academic and political circles in Beijing recently got together to discuss the theory of political structural reform.

Relationships With Economic Reform [subhead]

First they discussed the relationship between the reform of the political structure and the reform of the economic structure.

Some people held that the two kinds of reform had their own characteristics, and the political reforms could be quite autonomous. Reform of the political structure should therefore not be considered the inevitable result of economic structural reform. It is aimed at the construction of high-level democracy and not just at serving the economic reforms. They cited the fact that the reform of the political structure was first proposed in 1980, before the economic reforms ran into resistance.

The majority of the participants, however, held that the political structural reforms should aim at guaranteeing and promoting the smooth development of economic and social reforms. They said:

1. The progress of economic reforms has put the creation of good political climate on the agenda. If the political reforms are conducted independently of the concrete requirements of the economic reforms, they would be missing a good opportunity;

2. Indeed it would be impossible since the economic reforms already entailed political reforms, for example, the separation of enterprise management from government administration and the institution of the factory director responsibility system;

3. The current political reforms derive their motive power directly from the contradiction inherent in having an overcentralized political system and developing a commodity economy. With the development of the commodity economy and of the reforms, enterprises become independent entities, and economic policy-making power becomes decentralized. The economic changes demand corresponding political reforms and decentralization, to wit:

(1) Reform the highly centralized and directly controlled administrative management system. Clearly demarcate the functions of every department and streamline organizations in order to perfect indirect government control, and rationalize the relationship between the central government and local governments;

(2) Reform the highly centralized cadre system in order to allow departments and organizations to manage their own cadres;

(3) Reform the people's congress system; strengthen legislation and the supervision of law in order to perfect the mechanism of socialist supervision and checks and balances;

(4) Create an environment conducive to competition on an equal footing in order to encourage public participation in politics.

Basic Aim: Decentralization of Power [subhead]

All the participants agreed that the basic aim of the current political reforms is to solve the problem of overcentralization of power. This would allow for a modernized political and organizational structure capable of adapting to a socialist commodity economy.

It is also necessary to establish democratic, efficient political mechanisms, of which the most important are those which 1) ensure the Party's unified leadership and the relative independence of government, social and political organizations; 2) encourage public participation in politics and give full play to the role of social and mass organizations; and 3) promote supervision and checks and balances, and prevent overcentralization of power.

Some participants proposed that the key link in the reform of the political system should be strengthening the autonomy of government departments and other social and political organizations in line with the Constitution and the law.

Functions of the CPC [subhead]

Most of the participants held that the overconcentration of power finds expression mainly in Party organizations so that generally speaking, the Party functions in place of the state, to wit:

-- In work, the leadership of the Party committee and the leading Party group supersedes the administrative heads, the directors and managers;

-- The Party manages cadres where government departments should be doing so;

-- The Party committees tend to interfere in the work of the people's congresses and their standing committees and in the judiciary.

During discussions, many people pointed out that the overconcentration of power in the hands of the Party organizations has jeopardized the normal life of the Party and state, because --

-- The Party is not the government, and therefore should not wield the power of administrative organizations. That the Party works in the place of the government swells the power of the Party organizations and, at the same time, makes them function as administrative organs, weakening the political leadership of the Party and reducing the Party organizations into representatives of sectional interest, harming the overall interest, harming the overall interest of the Party and damaging the Party's unified leadership over state life.

-- The Party is representative of the fundamental interest of the whole society, not parts of it. If the Party takes on everything, the masses will direct any discontent at the Party, leading to antagonism between the party and the masses.

-- The Party should concentrate on Party affairs. Taking on government business will only lead to corruption of the Party and its members. This will undermine the Party, its integrity, its self-construction and its image.

-- The organizational principle of the Party is democratic centralism. Overconcentration will damage the Party's democratic life, nourishing the vestiges of feudalism inside the Party, giving rise to bureaucracy, autocratric behavious among senior personel, privileges and personality cult.

-- The Party should exercise leadership, not management, for otherwise the Party and government exercise dual, overlapping management, creating confusion and rocking the foundation of the stability of the whole society.

Some participants went further in proposing that the Party's leadership over state life be exercised not directly, but indirectly. They argued that this was the only solution to the overconcentration of power. They suggested that the party confine itself to laying down principles and guidelines. It should indicate directions to government and social organizations, and work out political goals for them as well as co-ordinate and supervise their work. In the meantime, it should work to guarantee the independence of these organizations.

-- The Party Central Committee should focus on directing legislation and perfecting the legal system, thereby translating its own lines, principles and policies into the state will. Party organizations, in particular those at the grassroots, should work to ensure the realization of the Party Central Committee's principles and policies, and the proper execution of state management through education (ideological and political education for the masses) and by example (of Party members working in state institutions and mass organizations).

The advocates of this point of view said that this would combine the Party's leadership with the people's will and the government's management. It would combine the efforts to advance democracy and the legal system with efforts to improve the strengthen the Party's leadership so as to enable the Party to play the leading role in national construction.

THIRD ECHELON OF PRC CADRES EXAMINED

HK240051 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 46, 17 Nov 86 p 1

[Letter from Beijing by Bao Xin (7637 0207): "Something About the Third Echelon"]

[Text] Dear Brother:

Your letter has been received. You said that many people abroad are saying that the mainland will stop its effort to establish a third echelon of cares. What are the facts then? As far as I have learned from the departments concerned, the so-called halt to the effort to establish the third echelon is but a rumor. The CPC Central Committee has never considered stopping this effort. On the contrary, it has been strengthened and improved.

The rumor began to spread because some people had confused ideas about improving the methods selecting cadres from among university graduates and insisting on building the third echelon. Beginning from the early 1980's, CPC organizational departments at various levels have been selecting university graduates every year and sending them to the grass-roots units in the countryside for training to build up a new contingent of party and government leading cadres. Training young intellectuals at the grass-roots level in undoubtedly a correct policy, which should be continued in the future. However, with the development and change of the situation, some previous methods must also be changed. Changes in the methods of training university students have been talked about by many people and, as a result of passing from one mouth to another, this matter has been distorted as "no more effort to build the third echelon."

The policy of making the cadres more revolutionary, younger, better educated, and more professionally competent and the demand for establishing the third echelon were put forth by the CPC Central Committee. Doing well in building the third echelon in accordance with this policy has been the idea of our party since the 3d Plenary Session of the 11th CPC Central Committee. [paragraph continues]

It is the main part of the party's cadre line in the new historic period and a strategic measure for successful replacement of the old cadres by the new and of the cooperation between them. It seems that this policy will be adhered to for a long time to come.

In essence, establishing the third echelon means establishing and practicing a system of reserve cadres. "The third echelon" is but a vivid expression of the contingent of reserve cadres. To realize the four modernizations and build socialism with distinctive Chinese characteristics, itd is necessary to rationalize the structure of the leading bodies in light of echelon formation so that the replacement of the old cadres by the new can be carried out smoothly. It is also necessary to select and train reserve cadres for various levels in a planned way. Only thus can we have successors to the revolutionary cause and can we ensure by organizational means the continuity of our party's policies and principles.

How was the namelist of the third echelon worked out? In your letter you said that many people abroad are talking abut this and some held that the candidates for the third echelon were "appointed" by certain top leaders. Since we have not carried out sufficient propaganda on this question in the past, people outside our country may know very little about the true situation and may even misunderstand to some degree. This is not strange. As a matter of fact, the candidates for the third echelon have been selected through normal channels and very strict and cautious procedures. First, they have been recommended by the masses in a democratic way and selected after listening to the opinions of the people in various circles. Second, they have been rigorously tested by the organizational departments of their own units. Third, they have been selected after the collective discussion of the party committees. Fourth, they have gone through strict tests given by high-level organizational departments. These are the four steps they have to go through. The purpose of this is to widen the field of vision and choose the right people. It is also aimed at preventing mistakes, such as appointing people by favoritism and letting only one person have the final say. Practice shows that the great majority of the cadres selected for the third echelon in the past few years are good. There are only few cadres who do not meet the requirements.

Over the past few years, the mainland has already made marked achievements in establishing the third echelon. A more-than-100,000-strong contingent of reserve cadres has been established and large numbers of qualified young cadres in this contingent have been promoted to leading posts at various levels. At the same time, the quality of the reserve cadres has also been improved.

One thing I would like to point out is that the namelist of the third echelon is not unchangeable and that not all of those on it will be promoted. Whether they can be promoted to leading posts depends on the real situation. When conditions are ripe and when they are needed, some of them may become the replacements for certain leaders. Some reserve cadres who were originally trained for the post of deputy secretary may become secretaries due to the remarkable progress they make. But some may be removed from the namelist due to changes in their personal situations. For example, some of them may become arrogant and not do their jobs well since they think they will naturally be successors. Thus, they cannot be promoted to leading posts. In short, the third echelon is subject to change in light of the real situation. New outstanding cadres who emerge in the course of construction, reform, and opening up to the outside world will be added to the namelist of the third echelon, and those on the list who have been found to be comparatively inferior after being tested in practice will be removed. Since the number of reserve cadres is greater than what is actually needed, only some of them can be promoted. The building of the third echelon is a course of discovering, training, and providing talented people.

The construction of socialist modernization is being carried out on the mainland. It needs a large number of outstanding leading cadres who have both ability and political integrity and are in the prime of life. It needs to establish a large contingent of qualified reserve cadres. At present, the problem is not whether the third echelon should be established, but how to further enhance it. Of course, since this work was just started a short while ago, it needs to be further developed and perfected in many aspects. The building of the third echelon is a reform of the cadre system. In the new situation, when reforms of the economic and political structures have been developed in depth, we must also carry out a reform in the building of the third echelon so that the work will become more perfect.

Yours, Bao Xin

13 November

BAN YUE TAN ON SPIRITUAL CIVILIZATION RESOLUTION

HK240253 Beijing BAN YUE TAN in Chinese No 21, 10 Nov 86, pp 4-7

[Article by Xue Zhongxin (5641 0022 2450): "On the Six Characteristics of the Resolution"]

[Text] At present, people throughout the country are studying the "CPC Central Committee's Resolution on the Guiding Principles for Building Socialist Spiritual Civilization" and are deeply understanding the spirit of the "resolution." People generally hold that the "resolution," proceeding from the realities of our country, applies the viewpoints of dialectical materialism to make scientific and penetrating exposition of a series of important issues concerning the building of socialist spiritual civilization, and fully embodies the ideological line of seeking truth from facts and the spirit of reform and innovation and shows our party's determination and boldness of vision.

Then, what are the characteristics of the "resolution"? I think that it has six outstanding characteristics:

First, the "resolution" uses the viewpoints of dialectical materialism to present a more scientific and profound exposition of the road for socialist construction with Chinese characteristics.

Building socialism with Chinese characteristics is our established principle. Since the 3d Plenary Session of the 11th CPC Central Committee, we have been making continuing explorations in this regard. The "resolution" sums up our historical experience. Based on today's conditions in our country, it clearly outlines the general guideline for our socialist modernization cause: Taking economic development as the center of our work, we are to firmly carry on the reform of our economic and political structures and at the same time firmly strengthen the building of spiritual civilization, making sure that these aspects of our work are coordinated and promote each other. Thus, this gives a more scientific and profound exposition of the socialist road with Chinese characteristics which can be summarized into "one center" and "three supports." They are like the body and three feet of a tripod, and all of these elements are indispensable to and inseparable from each other. The scientific conclusion of the "resolution" enables the entire party and the people throughout the country to achieve a unified understanding of our socialist modernization cause and will play a significant role in unifying their thinking and action.

Second, the "resolution" makes a more profound and thorough exposition of the significance of the building of socialist spiritual civilization and the relationship between spiritual civilization and material civilization.

Socialist spiritual civilization under the guidance of Marxism is a major characteristic of socialist society, and it is a matter of course to build spiritual civilization. The "resolution" does not merely expound the necessity and significance of the building of spiritual civilization; instead, it helps people to correctly understand the strategic significance of spiritual civilization in terms of the general guidelines for the socialist modernization cause in our country. That is, the building of spiritual civilization, together with reform of the economic and political structures, are pillars that support our economic construction and are indispensable conditions for the realization of socialist modernization. So it is not an insignificant matter that can be neglected, but is an important matter that has a bearing on the success or failure of our socialist cause. In light of the principle that matter and consciousness, as well as the economic base and the social superstructure, form the unity of opposites, the "resolution" clearly expounds the dialectic relationship between material civilization (or economic construction) and spiritual civilization, which condition each other and promote each other: Material civilization provides material conditions and practical experience for the development of spiritual civilization; while spiritual civilization in turn provides mental impetus and intellectual support for the development of material civilization and provides an effective ideological guaranttee for the correct development orientation. Thus, this tells the people that the building of spiritual civilization must not be neglected; otherwise, in the course of building the four modernizations, we could lose our ideal and objective and our mental impetus and fighting will, and we would not be able to guarantee the socialist orientation.

Third, the "resolution" expands the principle of democracy into the field of ideology and solemnly points out the necessity for resolutely implementing the "double hundred" policy.

Socialist democracy is a political system that guarantees the people's position as masters of the country. However, we merely took democracy as a means in the past and failed to build a sound democratic political system. This is a painful history lesson. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has made the building of a high degree of democracy one of the great objectives in our socialist cause, and has done a great deal of work towards this purpose. But the efforts were mainly focused on the aspect of our political life. Now, the "resolution" points out that democratic education should be strengthened in the building of socialist civilization, and that the building of a high degree of democracy should be a main focus of socialist spiritual civilization and should be the main embodiment of socialist spiritual civilization in our state life and social life. This will certainly play a great role in speeding up the democratization process in our country.

In connction with democracy, the "resolution" also points out that it is necessary to resolutely carry out the principle of "letting a hundred flowers blossom and a hundred schools of thought content," so as to support and encourage bold exploration and free discussion on the basis of scientific research. On the principles specified by the constitution, academic freedom, creative freedom, freedom of discussion, and freedom to make criticisms and countercriticisms should be guaranteed. This would create a stable and united environment and a democratic and harmonious atmosphere for the future development of science and culture.

Fourth, the "resolution" stresses that efforts should be focused on development rather than passive prevention in the building of spiritual civilization.

This is an important guiding principle in the "resolution" for the building of spiritual civilization and the goal of summing up our historical experience. For a long time after we completed the socialist transformation of the economic structure, we continued to emphasize "taking class struggle as the key link" and did not shift the focus of work to economic construction. Under the influence of this guiding principle, we focused our ideological and cultural work on criticizing, repudiating, and struggling against old things rather than on building and developing new things. Even today, when we mention the building of spiritual civilization, some people still tend to first think about "repudiation," and they give little consideration to "construction" in line with the needs of our socialist modernization. They seldom consider how to positively carry forward the fine things of our national culture and absorb advanced ideas and good cultural achievements from abroad so as to establish and develop new thinking, new culture, new morality, and new social practice. This viewpoint and method of mainly making efforts to resist and repudiate old things will hinder us from developing new things, from cultivating new people, and from making progress in building socialist spiritual civilization. In view of this state, the "resolution" clearly points out that in the building of spiritual civilization, "efforts must be focused on developing new things," and attention must be paid to uniting the people, arousing the people's initiative and creativity, satisfying the people's needs in their cultural lives, and strengthening the building of new ideas and morals and the development of education, science, and culture. It can be regarded as a major breakthrough in setting things right in the orientation of building spiritual civilization. Under the guidance of this principle, the pace of our socialist spiritual civilization building will certainly be greatly quickened.

Fifth, the "resolution" expounds the ultimate objective of our efforts to build spiritual civilization, that is, to cultivate citizens with a lofty ideal, moral integrity, good education, and a sense of discipline, and to raise people's ideological and moral quality and their scientific and cultural attainments.

Such clear and concrete exposition of the basic task in the building of socialist spiritual civilization in the "resolution" is seen for the first time in all central documents about the building of spiritual civilization. At present, the economy, education, science and technology, and culture in our country are still rather backward. Only a small number of people have a command of rich scientific and cultural knowledge. There are still a large number of illiterate people in the cities and countryside. Along with other, complicated reasons, many people still lack a lofty ideal, a sense of moral integrity, and a sound sense of discipline. Therefore, it is a long-term and arduous task to improve and raise the educational conditions for all our citizens, and this is an important issue which concerns the prosperity of our nation and the success of building a powerful modern socialist country. In the final analysis, the purpose of building socialist spiritual civilization is to improve the quality of the people and thus raise the quality of the whole nation. Now, as the "resolution" so clearly expounds this objective, people will work more effectively in building spiritual civilization and can prevent blind action and confusion.

Sixth, the "resolution" points out that spiritual civilization should be advanced gradually in light of the people's ideological consciousness.

The character and development orientation of spiritual civilization, as part of the social superstructure, is determined by the economic base. At present, our country is situated at the lementary stage of socialism, and our productive forces remain at a rather low level. We must implement the principle of distribution according to work, must develop the socialist commodity economy and carry out business competition, and must allow the development of a variety of economic elements for a long time to come and encourage some people to become rich before others. Under such historic conditions, the moral development of the people should should not be separated from the average level of people's present consciousness, and people should not be required to bring their thinking and actions completely into line with communist standards. Instead, we should affirm the differences in people's incomes; encourage people to display a socialist collectivist spirit on the basis of combining the state interests, the collective interests, and their individual interests; develop the spirt of giving consideration to the overall interests, honesty, faithfulness, mutual assistance, fraternity, and benevolence toward the poor; and oppose the thinking and actions of benefiting oneself at the expense of others or public interests, putting money above all, seeking private gain through abuse of power, and practicing fraud and blackmail. For the progressive elements in our society, especially members of the CPC and leading cadres, we should set high requirements because they should have higher consciousness. Apart from the moral construction requirements for all people, they should be required to work wholeheartedly for the well being and happiness of the people, to fight for the realization of the communist ideal, to take the lead in the historic trend, and to display a selfless and dedicated spirit for the communist cause. By setting different requirements for people whose consciousness is at a different level, we would encourage the progressive and also give consideration to the average people. The advanced requirements for some progressive elements would then be combined with ordinary requirments for most people so that our ideological work would not be carried out on the basis of seeking unreasonable "uniformity" and "high standards." Therefore, the "resolution" does not use the old wording of "building socialist spiritual civilization with the communist ideology as its core." This does not mean the stamdards are lowered; instead, the standards are now higher and more realistic.

Studying the characteristics of the "resolution" will increase our understanding of the essential spirit of this document, and will enable us to make new developments in theory and in formulation of policy. This will also make us more conscientious in putting the spirit of the document into practice.

RENMIN RIBAO ON BUILDING SPIRITUAL CIVILIZATION

HK211231 Beijing RENMIN RIBAO in Chinese 14 Nov 86 p 5

[Article by Xue Dezhen (5641 1795 7201) and Yuan Zhiming (6678 1807 2494): "Building Spiritual Civilization Is a Kind of Subjective Construction"]

[Text] Socialist Modernization Covers Construction in Three Fields [subhead]

If asked what modernization means, some people would answer, without thinking, that it refers to industrial modernization, agricultural modernization, national defense modernization and science and technology modernization. In fact, this is a very imperfect answer. True, the four modernizations are what we now describe as the most fundamental contents of China's socialist modernization effort, but this is not all. [paragraph continues]

The contents of China's socialist modernization effort are far richer and more profound than the contents of the four modernizations. This problem was given a perfect answer by the "Decision on the Guideline for the Building of Socialist Spiritual Civilization" at the 6th Plenary Session of the 12th CPC Central Committee. The decision pointed out that the overall plan for our socialist modernization calls for the following: "With economic construction as the center, we must firmly and unswervingly carry out the economic reform, firmly and unswervingly carry out the political reform, and firmly and unswervingly strengthen the building of spiritual civilization, and bring about mutual coordination and mutual stimulation in these several respects." From this strategic idea, we can se that our socialist modernization effort at least covers construction in the following three fields. The first is modernization in regard to "matter." This is what is usually called the "four modernizations" This is the most fundamental field and is the basis for modernization in other fields. It is the building of "matter" most liable to be seen and touched. The second field is modernization in regard to the social structure and social relations. It involves the modernization of social mechanisms and is also what we usually describe as the reform of the economic, political, cultural, educational, scientific research, and other systems. Construction in this field is more abstract than in the first field. It is not so liable to be seen and touched as the building of "matter" and is likely to be overlooked. Now, our party has fully realized that modernization in this field is equally as important. Modernization in the third field is the building of spiritual civilization, and involves the modernization of people's spiritual world. The task is to solve the problem of modernizing people's various qualities. It is therefore a kind of subjective construction. Modernization in this field is still more abstract and therefore still more profound. Since the 12th National Party Congress, our party's awareness of the importance of construction in this field and its proper handling had become increasingly profound and scientific. This resulted in a special decision at the 6th Plenary Session of the 12th CPC Central Committee.

Socialist modernization in these three fields is related with each restraining the other and promoting the other.

If we do not seek the bulding of material civilization but seek only the building of spiritual civilization, we would naturally again slip down the once-trodden foolish old path marked by disregard for the level of development of social productivity, lack of concern about whether material wealth is plentiful or not, an attempt to solely rely upon moralizing, and involvement with things like "transition in poverty," "what is material not being as good as what is spiritual" and even "revolution being touched off in the depths of a persons's soul," and "dropping spiritual atomic bombs."

If we seek only modernization in the material field and not the building of socialist spiritual civilization, then not only is the building of material civilization devoid of spiritual stimulation and intellectual support but the effort would surely be hindered by backward ideas. Therefore, modernization this way would leave things partially done and incomplete and could not eventually be realized. There is no lack of examples like this at home and abroad. People get better off in material life but still fall behind in the spiritual and cultural fields. Such a situation can be found in our countryside. Some people have become well off, building new housing and having a complete set of the "five large pieces." Their material life is quite "modern," but their spiritual world is still very barren -- one marked by gambling and superstituion. Some people say that they are now leading a happy life. Their ancestors never lived so comfortably. So they burn paper television sets and refrigerators at their ancestors' graves, offering them as sacrifices.

If we seek only the building of material civilization and spiritual civilization and not the reform of various systems and not the modernization of various mechanisms in operation in socierty, then there is no organizational guarantee for modernization. "An obstacle" would surely appear. Material and spiritual civilizations would both meet with obstruction. Similarly, real socialist modernization could not be realized.

In sum, modernization is an overall concept. We must pay attention to it in all its aspects and at all levels. Modernization in the three fields is closely related and inseparable. It will not do to just take care of one field without regard to the others. The "CPC Central Committee's Decision on the Guideline for the Building of Socialist Spiritual Civilization" has provided a correct answer to the problem about the guideline for the building of spiritual civilization itself. It has also profoundly defined the relations among the three - the building of material civilization, the reform of various systems, and the building of spiritual civilization. This has raised our party's awareness of the problem of China's socialist modernization to a new level. Our party's awareness of the problem of China's socialist modernization has indeed followed an increasingly all-round profound and concrete course. It is in line with the law of development of human awareness. Such awareness has not come easily, with a heavy price paid even in blood. Of course, we have today still not reached full awareness of the objective law governing China's socialist modernization. We believe that such awareness will continously develop and become more profound and scientific.

The Building of Spiritual Civilization Is a Kind of Subjective Construction [subhead]

The building of spiritual civilization is directed at men rather than matter or the social structure and social relations. This is a big difference that sets it apart from construction in the former two fields and is also its peculiar feature.

Under socialist conditions, the building of material civilizations, the reform of systems and the building of spiritual civilization all involve construction through men and for men and are the same, as far as the source of stimulation and the aims are concerned. This is their common feature. But as far as the target of reaction is concerned, they are different. The building of material civilization involves men acting on matter as the target and working on transforming matter to bring it in line with men's needs. The transformation of systems involves men acting on the social structure and social relations to bring various systems more in line with the needs of the development of social productivity. The building of spiritual civilization involves men acting on men and taking men as objects of construction. Men taking men as objects of construction -- this covers two situations with men taking others as objects of construction and taking themselves as objects of construction. The former involves mutual education, mutual influence, and mutual stimulation. The latter involves self-choice, self-molding, self-perfection and self-realization. With me taking him or him taking me as an object of spiritual civilization construction, the person as the object still exists as the subject with both response and initiative. When you take another person as an object of spiritual civilization construction, and meet with a rebuff on his part, your effort can only be labor unrewarded. Therefore, it is, in the final analysis, also subjective construction.

Under socialist conditions, to do a good job of building spiritual civilization, we should make a loud call for subjectivity and subjective consciousness. Subjectivity and subjective self-consciousness (subjective consciousness) set men apart from all other animals and set human society apart from any other animal group. [paragraph continues]

To stress subjectivity and strengthen subjective consciousness is to strengthen man's sense of society and social consciousness and to strengthen man's sense of social responsibility. Therefore, only when people really consciously realize that they themselves are the subjects of society can they be consciously responsible for all their own acts.

In China, the modernization of men is likely to be more difficult than in the case of matter. Given several thousand years of feudalist and small-production traditional concepts having formed into a kind of habit, combined with imposed bonds of several decades of fixed patterns from outside, the going has been made especially tough for the burdened subject on the road to modernization. Therefore, as far as the Chinese of today are concerned, there is all the greater need to strengthen subjective consciousness of self-examination.

The effort to build socialist spiritual civilization fundamentally calls for the modernization and civilization of men and the overall development and improvement of their quality. This fundamental feature of spiritual civilization construction is given expression by the "decision" in the following several respects:

First, we must correctly solve the problem about the important and significant effect that the modernization of man has on the building of material civilization and the reform of systems. The building of material civilization and the reform of systems must be carried out through men. The various qualities of men and their enthusiasm and creativity have a decisive and significant effect on the above. People have now increasingly realized that the modernization of material life, the building of material civilization, the modernization of mechanisms in operation in society, and the reform of various systems are all inseparable from modernization. If we fail to master modern science and technology and modern methods of management and to have a modern sense of values and a modern way of thinking, we cannot translate modern science and technology and modern methods of management into productivity in real life. In building a high degree of socialist democracy, if our citizens do not have a high socialist subjective consciousness and a strong consciousness of the social master, a high degree of socialist democracy would also become just a castle in the air. Without a high degree of socialist democracy, we also cannot arouse every citizen's enthusiasm and creativity in building socialism. Socialist modernization will thus become empty talk. Here lies the profound meaning of what the "decision" says about the building of spiritual civilization providing "spiritual inspiration and intellectual support" for the building of material civilization. For this very reason the "decision" emphasized the extremely great importance of improving the "quality of men" and stipulated the fundamental task for the building of socialist spiritual civilization as a matter of "improving the ideological and moral makeup and scientific and cultural levels of the entire Chinese nation."

Second, it was emphasized that we must properly handle the relations between men in building spiritual civilization and "insist on stressing construction in all matters." After summing up our party's historical experiences, the "decision" stressed: "In strengthening the building of spiritual civilization, we must bear historical lessons firmly in mind, correctly handle various contradictions in socialist society, and insist on adopting the method of discussion, the method of reasoning things out, and the method of criticism and self-criticism in our approach to ideological problems. This is to say that we must adopt methods of education and guidance to seek a solution." In the cultural and ideological areas, those wrong practices once used for solving man's spiritual world problems, such as "destruction on the top of the list," "mass criticism clearing the way," and "the philosophy of struggle," can never be repeated in the new period of building socialist spiritual civilization.

Third, it was stressed that we must raise our consciousness of self-construction in building socialist spiritual civilization. Since the building of spiritual civilization is the building of man's spiritual world and seeks to improve man's various qualities, then a departure from the subject -- the inner demands in man himself -- and a departure from man's own enthusiasm and creativity in an attempt to realize this aim by using the method of coercion, the method marked by formalism, the method of fixing tags and labels for the sake of appearances, and the method of doing things with great fanfare will yield no positive results and even bring opposite results. We should turn socialist spiritual civilization into an inner need of the Chinese themselves. So the "decision" stressed that in strengthening the building of spiritual civilization, we must "concentrate on uniting the people and giving full play to the people's socialist enthusiasm and innovative spirit."

Fourth, we must distinguish the different conditions about a subject and put forward proper demands. In theory and ideology construction or in morality construction, democracy and legal system construction, intellectual construction and cultural construction, the "decision," after calling for making comprehensive and universal demands, again stressed the need to distinguish different conditions involving a subject and put forward different demands. On the basis of this guiding idea, the "decision" put forward different realistic demands for building spiritual civilization based on different levels, different political backgrounds and different occupations, avoiding those unrealistic and unattainable hollow doctrines and general appeals.

The "decision" of the 6th Plenary Session of the 12th CPC Central Committee is a positive result of further understanding our country's need to build socialist spiritual civilization and even the law governing the whole modernization effort. Under its guidance, our socialist modernization effort will surely be crowned with a still greater victory.

QUNYAN ARTICLE DEFINES SCIENTIFIC SPIRIT

HK240601 Beijing QUNYAN in Chinese No 9, 7 Sep 86 pp 17-18

[Article by Liu Zaifu (0491 0375 1788): "Random Notes on the Scientific Spirit"]

[Text] Recently, I have read many articles on the double hundred policy. Although they are moving articles in which their authors freely express their opinions, most of them are filled with a tragic feeling. Comrade Liu Xinwu calls this feeling bitterness. Of course, it is a result of the unsatisfactory implementation of the double hundred policy in the past. Today, however, there are still people who on the one hand advocate the double hundred policy as a slogan but who are doing things that are far from scientific on the other. Recently, because of all this, I have been preoccupied with the problem of scientific spirit. Not long ago, I heard that Jin Guantao was also discussing his own views on scientific spirit. In conclusion, I think that at present, scientific spirit is missing among us. Therefore, I have summed up my own views and those I heard not long ago on scientific spirit. I think that it should have the following features:

1. Science does not recognize that there is a self-proclaimed absolutely perfect and lasting theoretical framework. Nor does it recognize that there can possibly be ultimate truth. Thus, assumptions are allowed in science. However, one cannot begin by assuming that one is "absolutely correct." Only by abandoning this assumption can academic debates be properly conducted. [paragraph continues]

In the past, such a line of reasoning was found in some articles: Marxism is an ultimate truth and it is in our hands. After introducing an imaginary opponent, who is supposed to be "absolutely wrong," the authors of these articles will then heroically proceed to get at him. Actually, this is not scientific in spririt. This pathological condition can be found in all parts of the world. Not long ago, on reading the "science" entry jointly contributed by two Soviet scholars, Ai De Luo Fu [0418 1795 3157 1133] and Si Pi Er Jin [2448 4122 1422 6855], in the "Encyclopedia of Philosophy," I discovered that they also criticize this practice as running counter to the laws governing the development of science. According to these two scholars, "People should have the freedom to ciriticize be allowed to freely discuss various controversial or vaguely understood scientific problems. Open and unrestrained confrontation of different ideas and views should also be allowed. Since the dialectical and contradictory nature of various natural processes cannot be directly in instantly uncovered, any one of the conflicting views can represent only a few facets of the contradictions pertaining to the processes being studied. Through this confrontation, we can overcome the one-sidedness that is inevitable found in the divergent views formed at an initial stage of our research and arrive at more realistic and generally accepted views. However, if the conflicting sides all vie to be the first to claim the possession of absolute truth, the above goal cannot be attained." For a person to vie to be the first to claim possession of absolute truth seems to be an unfortunate phenomenon common among mankind.

This is just absolutism, which is diametrically opposed to the scientific spirit.

2. Science recognizes that every researcher has a right to truth. This is precisely what the following common saying tells us: Everyone is equal before the truth. Science should also recognize that various sides participating in any debate have the right to discover and master truth and the ability to do so. Thus, whoever discovers and masters truth is a matter independent of authority, independent of the majority's wishes, and independent of the researchers' status, seniority, and age. Science is a born enemy of monopolization and dictatorial practices. Whoever wants ot monopolize truth departs from it and whoever wants to deprive others of their right to discover truth will first be deprived of this right. Thus, a serious scholar always respects the personality of his adversary and considers slander to be something despicable and totally unacceptable to a scholar.

3. Science knows no concept of authority worship and idolatry. Science always imples a certain measure of doubt about authority, idols, and universally accepted formulae and reasoning patterns. Ly Jiuyuan said: "One should worry if one has no doubts in one's studies. One can make progress only if one doubts." First, doubts must be analytical. Doubts do not mean the negation of everything on earth. Second, doubts do not mean the negation of everything on earth. Second, doubts must be well-grounded. One cannot doubt as one pleases. And third, anyone who has doubts should resolve to do something. One must not doubt irresponsibly. In his "Diary of a Madman," Mr Lu Sun said: "Are things that have always been accepted also correct?" This shows his skeptical spirit. He also said: "Having doubts is not a weakness. it is a wekness if one always doubts but never makes up one's mind." This means that having doubts is not enough. Doubts are a mental driving force behind the discovery of truth. They are a starting point, not the destination, in the pursuit of truth.

4. Science is always experimental. The experimental nature of science is generally acknowledged. However, the experimental nature of social sciences and the humanities is often overlooked. Science is neither a set of a priori conclusions nor something deduced from them. It is a process dominated by an unending series of experiments. [paragraph continues]

To acknowledge the experimental nature of science is to recognize that it is a process of continuous exploration, continuous failures, continuous summing up of experiences, and continuous struggle to get ahead. One cannot come within reach of truth if one has never failed or made mistakes. Failures come with successful scientific experiments throughout the entire process. Failure is a necessary step to truth. Subjecting a mistake to analysis, supplementation, and revision is science. Subjecting a mistake to a political trial is against science.

5. A genuine scientific spirit stresses the pursuit of truth, not its possession. A great scientist is not interested in the external things (such as money, status, power, and recognition) that science may bring him. He is never keen on the attainment of external goals. He simply regards scientific pursuits as the ultimate source of happiness and is certain that the process of truth will still be a glorious process, which will pave the way for the pursuit of truth in the future. In scientific pursuits, the spirit of "being concerned only with cultivation and not with reaping the harvest" is a must. The attainment of certain goals without intentionally trying to do so and the attitude of science for science's sake can often result in scientists plumbing greater depths of the mental world. Science's selflessness is derived from taking itself as its own lofty goal. For the sake of scientific truth, a scientist can sacrifice everything, including his own life. Science has no concrete aim of practicality, but it will never forget its mission of benefitting mankind.

6. Science is verifiable. Practice is the most authoritative criterion for verifying scientific truths. Science can be verified. However, practice is different from both empirical character and practical value. It is a process in which there is an unending series of experiments. On the one hand, science must be verified by practice. However, it must guide practice on the other. Therefore, science must keep track of practice. In practice, science is verified and keeps enriching and deepening itself in order to obtain new vitality. Science is precisely such a recursive process. Science is both a summary and the sublimitation of practice. It is not a cycle of concepts.

7. Respect for science means not just respect for objective things and not just respect for knowledge and technology. It also means respect for the subjective beings who are studying objective beings and things, that is, respect for the discoverers of information and architects of our knowledge system. Objective laws cannot reveal themselves. They must be discovered and mastered. Those objective laws that have been discovered are not purely objective laws because they are not free of subjective participation. One's understanding of objective things and beings is closely related to the stand-point one has chosen. In the pursuit of scientific truth, one should proceed not only from knowledge and objective things, but also from the frame of reference one has subjectively chosen.

8. The essence of propaganda is the illustration of things known, while the essence of science is the discovery of things unknown. However, there is also an element of forecasting in propaganda studies. Science always implies exploration into the future, discoveries, and predictions. The predictive nature of science makes it possible for man to participate in various processes and to control them. Thus, science can help us design and construct future models and patterns, thus enabling us to become the masters of history now and in the future. Thus, it can be seen that those views which suggest a distinction between the innovative significance of science and its other essential significance are incorrect.

9. One of the features essential to the understanding of science is the systematic nature of such understanding. The mix of fragmentary knowledge not yet incorporated in a certain consistent system is anything but science. The formation of systematic views and concepts and the mastery of a systematic approach are a fundamental skill that contemporary scientists must acquire. A scientific theory of systems can help us master and develop this skill. It is necessary to distinguish between systematic views, systematic approaches, and systematic techniques. A social scientist can afford not to understand systematic techniques. However, he should be able to think systematically. A theory of systems cannot be omnipotent. However, we must not blame it for this. Still less should we be ignorant about systematic approaches and be proud of opposing them. One cannot criticize a scholar for his attempts to establish a system of approaches to science and to avoid doing research in a "disorderly and unsystematic manner." However, if one is too keen on constructing systems and parasystems, one could be in danger of seeking "ultimate truth." In this way, one will lose one's freedom and be imprisoned in the system one has constructed.

10. The scientific spirit does not recognize any authority. However, it is totally modest and totally honest. Anyone with a scientific spirit fully respects scientific achievements, respects scientists, and treats them as the cream of mankind. Not knowing to respect scientists is a reflection of a petty or even mean type of personality. Of course, it is also a reflection of the viciousness of human nature. The "Cultural Revolution" began with a definition of scientists as "bourgeois reactionary authorities" and a definition of revolutionaries as "capitalist-roaders." Goethe said: "Only if one feels that one is something can one realize that there are great people and respect them. All those who refuse to acknowledge the greatness of Euripides are either wretches who are too ignorant to realize his greatness or shameless fakes who pretend to be experts." (Goethe: "Conversations," p 229). In a country imbued with a scientific spirit, its people should generally cultivate the psycho-cultural habit of respecting science.

I hope that the above points can contribute a drop or two to the torrent of the development of science in our motherland.

HU YAOBANG INSPECTS JIANGSU PROVINCE

OW200155 Beijing XINHUA Domestic Service in Chinese 0110 GMT 19 Nov 86

[By reporters Zeng Jianhui, Zhou Zhaoguang, and Zhang Xingrui]

[Text] Nanjing, 19 Nov (XINHUA) -- Hu Yaobang, general secretary of the CPC Central Committee, visited Jiangsu Province twice in late autumn to conduct research and investigation. Seeing that the commodity economy is developing vigorously in both cities and the countryside across the river, he said cheerfully that Jiangsu is one of the provinces that has changed most since the 3d Plenary Session of the 11th CPC Central Committee. It leads the country in terms of economic development. It is hoped that comrades in Jiangsu will continue to work hard and achieve three leads; that is, maintaining its lead in sustained, stable, and proportionate economic development and trying hard to lead the nation in the development of science and technology and in the building of spiritual civilization. He stressed that, in building spiritual civilization, we should set out simple and clear targets for different groups of people, different professions, and different situations, make earnest efforts to achieve them, and ensure that achievements and progress are made every year.

From 25 to 28 October, Hu Yaobang, accompanied by Han Peixin, secretary of the Jiangsu Provincial CPC Committee, and Governor Gu Xiulian, visited, in spite of the autumn drizzle, by car the economically developed southern part of Jiangsu and inspected urban construction in Wuxi and Suzhou cities, as well as village and town enterprises in Wuxi, Jiangyin, Zhangjiang, Changshu, and Wuxian. From 14 to 16 November, he toured the coastline in northern Jiangsu, checked the boundless stretch of beach bordering the Huang Hai now under development, inspected Yangcheng City and the open city of Nantong. He was delighted to see the many factory buildings in open fields, and small modern towns blessed with towering new buildings and broad streets in southern Jiangsu, which almost join cities and the countryside. The once undeveloped beach areas along the coast are yielding more and more material wealth for the people. He believed that Jiangsu has done its work well. It not only brings benefits to the people of Jiangsu, but also provides a successful experience and inspiration for the rest of the nation.

On the afternoon of 16 November, Hu Yaobang met more than 300 responsible comrades at the provincial, city, and county levels in Nantong City. He pointed out in his speech that the total industrial and agricultural output value of Jiangsu in 1985 amounted to 127 billion yuan, and the annual average per capita income reached 2,000 yuan, ranking first in the country. This achievements has a decisive significance in future development. He urged Jiangsu comrades not to rest on their laurels, but continue their efforts so that Jiangsu will rank first in the country in both economic, scientific, and technological develoment. This requires us to firmly implement the policy of reform and opening to the outside world, laid down by the central authorities, and keep forging ahead with more courage and resolution. Comrade Deng Xiaoping has pointed out on many occasions that reform and opening are our long-term national policy, the central and decisive link in our economic work. The two most important economic reform tasks are: First, resolutely streamline administration and institute decentralization and fully respect the decisionmaking powers of enterprises; second, earnestly implement the principle of distribution according to work and link workers' income with economic results. We must correctly implement the work of opening to the outside world, fully utilize the strong points of coastal areas, which are blessed with good communications facilities and abundant technological force, so that they can march ahead of other provinces in importing foreign funds and technology and provide technology and experience in external dealings to the hinterland.

Hu Yaobang stressed that we must pay attention to spiritual civilization. He pointed out: The resolution on the guiding principles for building socialist spiritual civilization adopted at the 6th Plenary Session of the 12th CPC Central Committee is a programmatic document. Various localities have studied it earnestly, and it is time to work out specific measures to implement it and draw experience from the practice of the whole party. Starting next year, every province, autonomous region, and municipality directly under the Central Government must achieve results and progress every year in building spiritual civilization. CPC and CYL members must make their due contributions. All trades and professions, mass organizations, and public places across the country should set clear and specific targets. We should make noble conduct reflecting spiritual civilization manifested in our daily life, avoid "leftist" practices, and guard against going through the motions and tedious formalities. If the masses are bored because of our poor leadership, then there will be no vitality in our work.

Hu Yaobang said finally he hoped that comrades throughout the party would more penetratingly think about the major affairs of the state. The real improvement in the situation in our country has taken place in only the last 8 years. How can we permanently develop this situation? We should at least pay attention to the following three principles:

First, we should persist in the policy of seeking truth from facts at any time, in any place, and in everything. This is in the fine tradition of our party for several decades and study style and fundamental method of thinking to be observed by the whole party. Everyone should have the firm belief that, as long as we persist in the principle of seeking truth from facts, we shall be able to hold our ground eventually. Leading groups at the higher level should create conditions for those at the lower level to persist in seeking truth from facts.

Second, we should properly carry out the party's democratic work style. Major things must not be decided by an individual and should be discussed by all concerned. There are 2 million party branches and 150,000 party committees at and above township level in the whole country. Party organizations should improve their democratic work style and strengthen their own creative and immune ability to develop healthy trends and correct unhealthy tendencies. Only in this way can we have vigorous and creative working vitality.

Third, veteran comrades should properly love, train, and support young comrades, and should take an overall viewpoint of replacing old cadres with younger ones. Young comrades should understand their tasks entrusted by the party and the people's demand. They should work hard for the prosperity of the country and improve themselves through actual work. Our party's cause and ranks should forever go forward, as in the Chang Jiang the waves behind drive those before.

During his inspection tour in southern Jiangsu, Hu Yaobang investigated the new situation in developing commodity economy in urban and rural areas. Full of zest, he visited a number of township enterprises with modern equipment and advanced technology in order to understand the great changes brought to the rural areas by the development of village and town enterprises. He said: Wuxi County's total value of industrial and agricultural output can reach more than 5 billion yuan this year although the county's population only accounts for 0.1 percent of that of the whole country. If most of the counties in our country can reach Wuxi's level, we should be able to go beyond quadrupling China's annual industrial and agricultural output value by the end of the century. He asked the economically-developed southern Jiangsu area to develop new industries according to actual local conditions, such as the microelectronics, bioengineering, and nonmetallic material industries, and, in particular, assign necessary personnel to scientific research, application, and technical guidance in developing nonmetallic materials. On the question of opening to the outside world, it is not only necessary to import capital, equipment, technology, and professional people, but also desirable to export in those four aspects and sign contracts for comprehensive regional development in foreign countries. It is also necessary to organize and guid units concerned to sign contracts with other provinces for the export of high technology, construction and handicraft work, farming and breeding, as well as the export of whole set of general technology and art in order to help the hinterland develop economy.

In northern Jiangsu, Hu Yaobang mainly inspected the development of tidal land in the Huang Hai coastal area. Huang Hai tidal land is a vast new land area formed by silt from the river. Its total area is now 9 million mu, and it expands by 60,000 mu in the direction of the sea annually. Following national liberation, with special efforts in recent years, 2 million mu of tidal land have been reclaimed, with an annual output value of approximately 500 million yuan and exports worth U.S. $30 million per annum. Hu Yaobang discussed plans and prospects for developing tidal land together with the comrades in Jiangsu. He pointed out that it is necessary to import foreign capital and technology and pay attention to developing natural resources. Hu Yaobang encouraged the local cadres to "gain treasures from tidal land."

On 15 November, Hu Yaobang visited the rebuilt site of the headquarters of the New Fourth Army and a memorial building in Yancheng, northern Jiangsu.

ANHWI'S LI GUIXIAN INSPECTS SEVERAL CITIES

OW221211 Hefei Anhui Provincial Service in Mandarin 1100 GMT 21 Nov 86

[Excerpts] Li Guixian, secretary of the Anhui provincial party committee, recently inspected Huainan and Huaibei cities -- production centers of energy resources in Anhui Province. He pointed out during the inspection: In order to develop Anhui's economy, we must regard the development of energy resources as a strategic task, ensure the smooth execution of major state projects, pay attention to local coal, electric power, and other industries, and develop the urban economy in a steady and coordinated way. From 10 October to 20 October, Comrade Li Guixian conducted investigations and studies in Huainan City, Huaibei City, and North Anhui Mining Bureau successively. He seriously studied the coal production situation, electric power generation, and construction projects for the coal and electric power industries there. [passage omitted]

Comrade Li Guixian said: Coal and electricity are important power resources indispensable to economic development. Currently, Anhui's average per-capita amount of coal is below the national average, and the contradiction between electric power supply and demand in the province is quite conspicuous. The shortage of energy sources is an important factor impeding Anhui's economic development. We must at least double the present coal and electricity output in order to achieve the objective of quadrupling the province's total industrial and agricultural output and making the people prosperous by the end of this century. Therefore, we must have a sense of urgency, and regard the task of accelerating the development of the coal and electrical power industries as an urgent and important strategic task for Anhui's economic development. [passage omitted]

JIANGXI STUDIES SPIRITUAL CIVILIZATION RESOLUTION

OW221000 Beijing XINHUA Domestic Service in Chinese 0230 GMT 18 Nov 86

[By reporters Ma Zhongming and Zhang Xiangting]

[Text] Nanchang, 18 Nov (XINHUA) -- The Jiangxi Provincial CPC Committee recently convened a plenary session to implement the "Resolution of the CPC Central Committee on the Guiding Principles for Building a Socialist Spiritual Civilization." It urged party organizations at all levels in the province to refrain from settling up plans for implementing the resolution. Instead, they should send personnel to conduct research and investigation at lower levels, do some solid work, and solve one or two practical problems in light of the actual conditions of their areas or departments. For example, they can attend to education in vocational ethics and make some genuine improvement in the quality of service. In the countryside, they can pay attention to transforming social traditions and genuinely eliminate, step by step, what is ignorant and backward in our customs. We must see to it that all the work we have undertaken is completed and fruitful so as to leave a good impression on the people. The provincial party committee plenary session formulated main points for implementing the resolution on socialist spiritual civilization in Jiangxi Province. While discussing the main points, comrades attending the session eliminated all empty talk and targets and requirements in the draft which they were not quite sure they would be able to achieve, even if they try hard.

For example, the draft called for running clubs for workers, youth, women, and militia and recommended that a responsibility system by militia and recommended that a responsibility system be adopted in enterprises, schools, neighborhoods, and households to disseminate basic knowledge of laws. They contended that these requirements could only encourage the practice of going through the motions and suggested that they be crossed out.

For another example, the draft called for the elimination of all hazardous school buildings and the availability of television to 80 percent of the province's population within 2 to 3 years. They contended that some of these targets may prove difficult to achieve. Even if they can be achieved through great effort, it is better that we work more and say less. The provincial party committee urged the localities not to waste time formulating their own documents for implementing the resolution. They should make concrete efforts to carry out the main points, do solid work, and produce practical results.

SHANDONG FORUMS ON VILLAGE PARTY RECTIFICATION

SK240404 Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 Nov 86

[Text] Develop the excellent situation in village-level party rectification and continue to deepen the province's village-level party rectification work. This is a general requirement for the current village-level party rectification work set forth by the provincial party commitee at forums on village-level party rectification separately sponsored in Zaozhuang, Jinan, and Weifang recently.

The forums held: The situation in village-level party rectification is very good thanks to the fact that the province has made full preparations and a solid start in the work, and party committees at all levels regarded and attended to it as a key matter. A gratifying situation in which the rural party members enthusiastically engage in party rectification and party rectification promotes the development of the rural commodity economy and the construction of water conservancy projects has preliminarily emerged.

The forums emphatically pointed out: In order to ensure the quality of village-level party rectification work, all localities must grasp the following several tasks:

First, we should deepen education to arouse party members to serve construction, strive to upgrade their ideological awareness, and educate them to be qualified party members.

Second, we should pay attention to real results, make corrections in the course of rectification, and solidly eliminate the malpractices of some rural party-member cadres in seriously abusing their power for selfish ends, violating the law and discipline, and affecting the construction of rural party branches.

Third, we should closely link village-level party rectification work with the study and implementation of the resolution adopted at the sixth plenary session and formulate the plan for spiritual civilization in line with the guidelines of the resolution in order to realize rural spiritual civilization work.

Fourth, we should firmly grasp the preparatory work for making comparison and examination, taking organizational measures toward party members, and undertaking the registration of party members.

Fifth, we should further strengthen the leadership over the village-level party rectification work. Secretaries of the county, town, and township party committees should concentrate their energy on grasping village-level party rectification work.

Yang Xingfu and Zhang Quanjing, Standing Committee members of the provincial party committee; and Li Farong, secretary of the provincial Discipline Inspection Commission, made speeches at the forums. Yao Zhongming, head of the investigation group under the Central Party Rectification Guidance Commission, delivered a speech at the forum held in Jinan.

SHANGHAI TECHNOLOGY MARKET ON DECLINE

HK240429 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1006 GMT 20 Nov 86

[Report: "Shanghai's Technology Market on the Decline"]

[Text] Hong Kong, 20 Nov (ZHONGGUO TONGXUN SHE) -- According to a report from Shanghai, the technology market there, which was once very brisk, has suddenly become slow since the second half of last year. This year, the market has become even more inactive.

The technology market in Shanghai emerged in 1979. Earlier than other areas, Shanghai set up a consulting institution — the Shanghai Industrial Consulting Service Company for External Clients. It has provided more than 1,000 information and consulting service items for domestic and foreign clients. Its business turnover in 4 years totalled 1.55 million yuan, its after-tax profits totalled 680,000 yuan, and its foreign exchange income totalled $250,000. However, because this company lacks decisionmaking power in its internal management and in its disposal of its funds, plus the fact that its workers were not able to benefit even when the company reaped handsome profits, the consulting company finally encountered difficulties in advancing its business.

According to rough statistics, the volume of transactions on Shanghai's technology market reached 580 million yuan in 1985. According to a sample survey of 29 technology transactions by the Shanghai Municipal Scientific and Technological Association's consulting center, every yuan spent in consulting fees by technology buyers enabled them to create 489 yuan worth of industrial output value per year. However, there were no specific stipulations on the remuneration of the technologists who moonlight and provide consulting services in their spare time and in the course of their business. Some departments in charge even restricted such consulting services in light of the old regulations and treated technological consulting services and technologists through their hard work. This seriously dampened the enthusiasm of the technologists. Many of them quit the technological consulting business. As a result, the technology market changed from a boom to a bust, and became very slow.

According to statistics, the number of contracts concluded through the Shanghai Municipal Technology Development and Exchange Center in the first quarter of this year was less than half the number from the same period last year, and the number of consulting contracts signed by the municipal technological consulting service center in the first half of this year also decreased by 36 percent from the same period of last year. The Shanghai Technological and Economic Consulting Company, which is one of the few institutions that can undertake large-scale comprehensive consulting items, recently suspended its business because it could not break even.

It is reported that the Shanghai Municipal Government recently promulgated some regulations on technology consulting, and the technology market has begun to recover and the depression in the consulting business has also been changed. At present, a total of 600 institutions in Shanghai are providing consulting services, and 246 of them are specialized consulting companies. The Shanghai Municipal Scientific and Technological Committee has issued licenses to 88 consulting institutions after examining their qualifications, and more than 100 consulting institutions are being examined. A municipal association of consulting institutions will soon be officially set up.

GUANGDONG SECRETARY URGES HELPING POOR AREAS

HK220236 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 21 Nov 86

[Text] According to NANFANG RIBAO, Guangdong Provincial CPC Committee Secretary Lin Ruo recently pointed out after visiting the poor limestone areas in northern Guangdong that due to bad natural conditions, weak economic foundation, and other reasons, the present production and living standards there lag far behind the province's economically developed areas. The leaders of the province, cities, and counties must clearly understand the guiding idea on supporting poor areas and concentrate efforts to help those areas to develop their productive forces and resolve the masses' food and clothing problems as soon as possible.

HUBEI COMMENTARY ON IMPLEMENTING RESOLUTION

HK240701 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 20 Nov 86

[Station commentary: "In Studying and Implementing the Resolution, We Must Do Something Worthwhile"]

[Text] Like the reform of the economic structure, strengthening the building of socialist spiritual civilization is an important aspect of the overall arrangements for the socialist modernization of our country. Therefore, as we implement the resolution on reform of the economic structure, we must study and implement the resolution of the CPC Central Committee on the guiding principles for building socialist spiritual civilization, do work in a down-to-earth manner, and do something worthwhile.

The resolution of the CPC Central Committee on the guiding principles for building socialist spiritual civilization, which was adopted by the 6th Plenary Session of the 12th CPC Central Committee, contains many new things, including a new spirit and a new development. We must link our study of it with realities, enhance our ideology, and solve problems. In studying and implementing the resolution, we must not pursue formalism, stir up an evil wind, do it as a mere formality, or do it perfunctorily.

Some places and units did not study the resolution in depth and stopped after only a little understanding of it. They only read the document once. They did not understand the spirit or essence of the resolution and could not solve the problem of how to simultaneously grasp two civilizations. Many comrades did not grasp the building of spiritual civilization as vigorously and resolutely or in such a planned and methodical way as they grasped the reform of the economic structure and the building of material civilization. While talking about economic construction, some comrades presented their view vehemently and well. This is of course correct. However, in talking about the building of spiritual civilization, their attitude was rough and careless. This problem must be solved in the course of studying the resolution. We must really make a breakthrough and enhance our understanding.

In studying and implementing the resolution, we must not pursue formalism but do something worthwhile. We must really ensure that all trades and professions and the grass roots will build spiritual civilization. Like Shasni City, we must grasp education, the position, and the system, go into action, and make studying and implementation a regular practice. We must grasp them steadily and make solid progress. We shall surely make progress.

REFORM INVIGORATES SHENZHEN FINANCIAL MARKET

OW221404 Beijing XINHUA in English 1133 GMT 22 Nov 86

[Text] Beijing, November 22 (XINHUA) -- Reform has invigorated the financial market in Shenzhen, one of China's four special economic zones designated to practise flexible policies to attract foreign investment, said the "PEOPLE'S DAILY" today.

Its banks and other financial businesses transacted one billion yuan in the first nine months of this year, between themselves and with banks in other parts of China, up from 580 million yuan for the whole 1985.

The paper attributed this to reforms since 1983, which allow transactions between different specialized banks, thus breaking away with the old system under which such transactions would almost be impossible.

A network of banking services was set up last month linking banks in cities, provinces and regions including Shenzhen, Beijing, Guangzhou and the Xinjiang Uygur Autonomous Region, the paper said.

To curb the foreign exchange black markets, last year Shenzhen banks opened mortgage loan business for foreign exchange and the city government set up a center to adjust foreign exchange among enterprises and speed up circulation of foreign capital.

The Shenzhen Special Economic Zone, with an urban area of 50 sq km, now has 230 financial institutions, including 13 nongovernmental banks, according to the paper.

The city now also has 13 branches of foreign banks and nine foreign bank representative agencies.

A transnational financial corporation, the first of its kind in China, was set up recently by five banks from Shenzhen, Hong Kong, Japan and the United States, the paper added.

SHENZHEN SEZ INDUSTRIAL EXPORTS INCREASE

OW211315 Beijing XINHUA in English 1254 GMT 21 Nov 86

[Text] Shenzhen, November 21 (XINHUA) -- Industrial exports from Shenzhen Special Economic Zone [SEZ] now accounts for 43.7 percent of the zone's total industrial output value, up from 31.8 percent last year, a city official said today.

The official described this as a new progress towards the goal of building up an export-oriented economy in the zone, one of the four in China which are designated to practise special policies to attract foreign investment.

The zone expects to sell 480 million yuan worth of industrial goods this year to a dozen countries and Hong Kong, the official said, adding that its major goods for export include TV sets, cassette recorders, bicycles, clocks, watches, toys and drinks.

The official attributed the growth to tax exemptions allowed by the local government for all export goods except crude and refined oils, the official said.

SICHUAN UNION OFFICIAL PRAISED FOR CRITICISM

OW220446 Beijing XINHUA in English 0247 GMT 22 Nov 86

[Text] Chongqing, November 22 (XINHUA) -- A union official won merit for criticizing the leadership of his transport company in this city of Sichuan Province, southwest China.

The case may promote the current political reform, in which bureaucracy is one of the targets, a local official said today.

Kong Qingliang, 57, proffered more than 500 pieces of advice put forward by workers in his section for the improvement of their work, including streamlining leading offices and granting grass-roots units more decision-making power.

But the company leadership paid no heed to the suggestions, so he criticized its indifference in a letter published October 22 in the local trade union newspaper, accompanying an article in a similar vein.

The criticism won support from 38-year-old Chen Qingreng who had just assumed the office of manager and the suggestions were circulated for discussion among the workers.

"We praise Kong in order to encourage the sense of being the masters of the enterprise among our 10,000 employees," Chen said.

XIZANG'S NEW TU-154 MAKES SUCCESSFUL FLIGHT

HK220252 Lhasa Xizang Regional Service in Mandarin 1130 GMT 21 Nov 86

[Summary from poor reception] The first large passenger aircraft purchased by Xizang itself, a TU-154, has made a successful trial flight to Lhasa. Early on the morning of 21 November, leading comrades of the party, government, and Army in the region including Pagbalha Geleg Namgya, Raidi, Doje Cering, and Basang assembled at the Gongda Airport, Lhasa, to await the plane's arrival. The aircraft, with a full passenger load, landed safely at 0850. The regional leaders greeted representatives of the Air Force Aviation Bureau, Independent Transport Regiment, and General Staff as they descended from the plane and congratulated them on the success of the flight. The leaders then boarded the plane to inspect it. Technicians briefed them on its features.

Speaking afterwards, Doje Cering said: "The CPC Central Committee and State Council have always shown great concern for Xizang's economic construction and development. At the second central forum on work in Xizang held in 1984, Comrade Hu Yaobang proposed that Xizang should vigorously develop aviation and purchase its own planes to speed up the pace of the region's construction.

"In the past 2 and more years, the state organs and the relevant ministries and commissions have given us great concern and support. In particular, the leaders of the Central Military Commission and of the Air Force have shown special concern and have provided specific assistance and support for the development of aviation in Xizang. The successful trial flight of the region's first aircraft today is of far-reaching significance for the region's future economic construction and tourism development. This is the first time Xizang has ever had its own aircraft. It is expected that the second TU-154 to be bought by the region will go into operation early next year." At 1300, the aircraft took off for Chengdu.

BEIJING REPORTS INCREASE IN INDUSTRIAL OUTPUT

OW221140 Beijing XINHUA in English 0702 GMT 22 Nov 86

[Text] Beijing, November 22 (XINHUA) -- In the first ten months of this year the Beijing municipality showed an industrial output increase of 1.4 percent over the same period last year, today's "ECONOMIC DAILY" reported.

The paper said Beijing's industrial output, totalling 26.1 billion yuan (7 billion U.S. dollars) for the January-October period, rose just since September, after a slack season early this year. The whole year's steel quota has been fulfilled two months ahead of schedule.

Industrial departments have readjusted industrial structure by reducing production of unmarketable goods and increasing that of those in demand.

To replenish September's strained toilet paper supply, paper making companies increased production 61.5 percent in October.

The production of motorcycles and diesel engines has been reduced, while that of small trucks, station wagons, and petroleum engines has been increased.

The manufacture of products for export has been expanded, and by the end of September, Beijing had earned 520 million yuan (140.5 million U.S. dollars) from exports, 30 percent more than the same period last year.

BEIJING RIBAO ON VIOLATIONS OF PARTY DISCIPLINE

OW221242 Beijing XINHUA in English 0831 GMT 22 Nov 86

[Text] Beijing, November 22 (XINHUA) -- In 32 cases, leading officials at the administrative bureau level were discovered guilty of crimes or violating party discipline, the "BEIJING DAILY" reported today.

"So far 18 of the offenders have been punished according to the law, and party and administrative regulations," the paper said, adding that this is 12 more than last year.

"Eleven were forced to return the money they obtained illegally and were fined," the paper reported, "and three others are facing disciplinary action."

Most of the culprits used their power for personal gain, and some of them neglected their duty causing economic loss.

The Beijing Discipline Inspection Committee of the Chinese Communist Party stepped up its work this year and cleared up more cases, the report said. Those party and government officials covering up illegal activity or serving as accomplices were also warned and punished.

The report said the cases involving bureau level officials all happened in 1984 and 1985, and so far this year, the committee has not found any officials at the bureau level involved.

HEBEI HOLDS THIRD CPC PLENARY SESSION 7-10 NOV

SK240328 Shijiazhuang HEBEI RIBAO in Chinese 11 Nov 86 p 1

[Excerpt] The Third Plenary Session of the Third Hebei Provincial CPC Committee was held in Shijiazhuang from 7 to 10 November. Participants in the session conscientiously studied the guidelines of the "resolution" adopted at the 6th Plenary Session of the 12th CPC Central Committee, summed up the work carried out during the past year or so since the previous session, and discussed and mapped out measures for our province to implement the "resolution." They also decided on the work tasks for next year: In line with the requirements of the overall scheme for socialist modernization as put forward at the party's sixth plenary session, to carry forward the spirit of "creating the new, doing solid work, and advancing together," facilitate reform in an all-round manner, greatly enliven the economy, strengthen grass-roots work, improve leading bodies with great efforts, strive to upgrade the quality of all citizens, and usher in the convocation of the "13th party congress" with outstanding achievements.

Attending the session were members and alternate members of the provincial party committee. Members of the provincial Advisory Commission, members of the provincial Discipline Inspection Commission, party-member responsible comrades of the provincial People's Congress Standing Committee, the provincial government, and the provincial CPPCC Committee, and secretaries of the leading party groups and party committees of various provincial departments attended as nonvoting delegates.

Before this session was held, members to the session conscientiously studied the guidelines of the 6th Plenary Session of the 12th CPC Central Committee, and went to the grass-roots units to investigate and study the situation and problems in building the two civilizations, and listen to the opinions of cadres and the masses. After the session opened, they devoted 3 and 1/2 days to democratic group discussions of the two documents to be discussed at the session. They aired their views freely and put forward very valuable opinions for revising the documents in various aspects.

On the afternoon of 10 November, a joint meeting was held. Xing Chongzhi, Xie Feng, Li Wenshan, Yue Qifeng, Lu Chuanzan, Zhang Chao, Ye Liansong, Qu Weizhen, Bai Shi, Liu Ronghui, and Li Haifeng, Standing Committee members of the provincial party committee, attended. Li Wenshan, deputy secretary of the provincial party committee, read our province's "Measures for Implementing the CPC Central Committee's Resolution on the Guiding Principles for Building the Socialist Spiritual Civilization.'" On behalf of the Standing Committee of the provincial party committee, Xing Chongzhi, secretary of the provincial party committee, delivered a report entitled "The Current Situation of Our Province and Its Work Tasks for Next Year." Comrade Xie Feng also spoke on our province's reform and economic work. [passage omitted]

SHANXI ON REPORTING TRUE PRODUCTION FIGURES

HK220557 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 21 Nov 86

[Station Commentary: "Seeking Truth From Facts Is Precious, False Reports Are Awful"]

[Excerpt] [passage omitted] At present there are still some problems of false reporting of figures in rural Shanxi, due to the imperfections of the statistics and reporting systems.

Whether in relatively well-off or in poor areas, and whether in a bumper or a lean year, there are still phenomena of blind exaggeration or of deliberate understatement when reporting the peasants' income and grain production to the upper levels. Apart from affecting all-round policy-making, these problems also arouse unhappiness and apprehension among the masses.

Some places go in for submitting false reports to show they have fulfilled the targets set by the upper levels. Through administrative intervention, certain basic-level rural cadres interfere with normal statistical work, to make themselves look good. They do not take thought for the difficulties of the masses or for all-round policy-making. Blind exaggeration or deliberate understatement cause a whole series of serious policy-making mistakes.

In particular, in order to obtain more relief or support funds from the state, certain people in poor or disaster-hit areas conceal the true facts [words indistinct]. In a word, blind exaggeration and deliberate understatement do only harm and no good to the state and the people. [passage omitted]

RENMIN RIBAO ON TRANSFER OF CADRES IN SHANXI

HK211314 Beijing RENMIN RIBAO in Chinese 17 Nov 86 p 1

[Report: "Shanxi Party Committee Creates New Situation in Transferring Cadres at Prefectural, County Level"]

[Text] Over the years, the Shanxi party committee seriously promoted the work of transferring cadres. As of this moment, it has transferred 46 percent of the leading cadres in departments and bureaus directly under the provincial authorities; 35.8 percent of the leaders of the prefectural and city party and government; and 43.3 percent of the leading cadres at the county level. Since the transfer, the province's structure of leading groups at all levels has become more rational and perfect; and it has further improved the situation in which principal leading cadres stay in a position for a very long time.

Shanxi Province began the transfer of cadres in 1983, when it integrated the work with structural reform and strengthened the building of leading groups at various levels. The provincial party committee discussed and worked out the "Opinions Concerning the Restoration of Cadres' Transfer System", which stipulates: The prime target of the transfer is cadres of departments and bureaus directly under the provincial authorities, as well as cadres at and above intermediate levels such as prefectural, city and county who have assumed positions at a particular place and department for a very long time. For cadres at county and township levels, we should gradually implement the system of avoiding appointing these cadres to the principal leadership of their local counties and townships. The provincial party committee also proposed that the work of transferring cadres must be favorable to the building of leading groups and that it be carried out in groups and in stages.

Leadership at various levels in Shanxi Province attached great importance to the work. In connection with the assessment on cadres, the pertinent departments of the provincial party committee went to departments and bureaus, as well as prefectures and cities, to understand the actual conditions so as to select cadres for the transfer.

In the process, they first encountered the problem that it was easy to transfer cadres to a higher level post in another department, but it was not the case when transferring cadres to a post at the same level in another department. Another problem was that it was easy to transfer young cadres but not old ones; Also, it was easy to transfer cadres from a place with poor working conditions to a better one, but difficult to transfer cadres from a place with good conditions to a poorer one. But the leadership at various levels promptly carried out the ideological and political work among cadres, educating them on taking the overall situation into consideration so that they would voluntarily follow the organizations' decisions.

The practice of transferring cadres helped Shanxi Province develop a new situation in the cadres' work.

In the past, some comrades were apt to think that cadres who were transferred had committed mistakes or were squeezed out by others. Now, that this practice has been in effect for a whole, the leadership at various levels has a rather clear idea about the transfer of cadres. Since the transfer, the cadres have been acting actively and boldly in creating a new situation at their new posts, and have scored remarkable successes. One county party committee secretary had worked in a place for 29 years. Because of restraints from upper and lower levels, as well as colleagues at the same level, his work was to a certain event restricted. Since being transferred to another county and assuming the post of party committee secretary in 1983, he has made remarkable achievements. After being transferred to a county and assuming the post of party committee secretary, a deputy head of a prefectural party committee Organization Department conducted investigations and research in connection with local conditions and focused his work on reforming the economic structure. Therefore, this county's industrial and agricultural production was rapidly developed, and his work received a good response from both cadres and the masses. Before long, he was promoted to prefectural party committee deputy secretary and later commissioner. After being transferred to another prefecture and assuming the same position, a prefectural deputy commissioner conducted investigations and research among the prefecture's 13 counties. In connection with the prefecture's natural conditions, he formulated plans for agricultural development, which were welcomed by cadres and the masses.

Through the transfer of cadres, not only have some leading groups undergone changes and added vitality, but the areas involved have also been affected. Last year, the Shanxi Provincial CPC Committee readjusted the party and government leading groups of Xinzhou Prefecture. It replaced three local cadres who were transferred to other places with three cadres from other areas. This changed the structure of the prefecture's party and government leading groups and promoted the work of the prefectural party committee and the commissioner's office.

HEILONGJIANG FARMS SHOWING HIGH PRODUCTIVITY

OW231212 Beijing XINHUA in English 1835 GMT 23 Nov 86

[Text] Beijing, November 23 (XINHUA) -- A grain-producing center, being built with foreign funds in China's northernmost province of Heilongjiang, harvested 135,000 tons of grain and soya beans this year, the overseas edition of the "PEOPLE'S DAILY" reported today. Since 1983, the state farms there have reclaimed 147,000 hectares of wasterland, accounting for 73 percent of the planned total. This year, they grew crops on 93,000 hectares.

The project is proceeding with loans of 70 million U.s. dollars from the World Bank and a domestic investment of 260 million yuan (70 million U.S. dollars).

The Honghe farm, run with compensation trade between Heilongjiang and the Nichimen Corporation of Japan yields an average of 22.5 tons of grain and soya beans per workers, five to ten times higher than the efficiency of common farms.

JILIN OFFICIAL ON TIGHT ELECTRICITY SITUATION

SK240412 Changchun Jilin Provincial Service in Mandarin 2200 GMT 23 Nov 86

[Excerpts] This year our province has prefulfilled the annual power generation target by 68 days, with the amount of generated electricity increasing by 9.6 percent over the corresponding period last year. However, power supply still falls short of demand. In particular, during this winter and next spring, the increased power consumption resulting from heating, lighting, and threshing in the rural areas will aggravate the contradictions between power supply and demand. Recently, Gao Yan, director of the provincial Power Industry Bureau, was interviewed by our reporter (Wang Qingyu) on how to ease the contradictions between power supply and demand and give a guarantee to the national economy and the people's livelihood.

Comrade Gao Yan said: [Begin recording] How should we deal with such a situation? I think we should adopt the following five measures. First, we should consume power in a planned manner. A major measure in this regard is to avoid consuming electricity during the peak load period and to regulate the gaps between the peak load and slack load. Now the province's power consumption difference between peak and slack loads is 700,000 kwh. Therefore, we should organize some enterprises to consume more electricity during the slack load time in order to reduce power consumption during the peak load times. [passage omitted]

Second, we should economize on electricity. [passage omitted] Third, we should ensure safety is using electricity. [passage omitted] Fourth, we should ensure the power supply to key aspects. We must clearly understand that both the people's livelihood and energy resources are important. We should ensure the power supply to collieries and oilfiles, which consume much electricity. When there is a shortage of electricity among such enterprises as small calcium carbide plants, small emergy plants, small cement plants, small chemical fertilizer plants, and small ferro-alloy plants, whichu consume less electricity, the enterprises which consume much electricity should yield part of their power consumption quotas to enterprises which consume less electricity. Firth, we should try by every possible means to generate more electricity. In addition to power industrial departments, other plants which have their own power generating installations should also strive to generate more electricity. [passage omitted] [end recording]

QUAN SHUREN AT LIAONING ANTIFLOOD RALLY

SK230701 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 22 Nov 86

[Text] On 22 November, the Shenyang Military Region ceremoniously held the 1986 commendation and summing-up rally on combating floods and conducting rescue work. A total of 111 advanced units and individuals were issued orders of commendation. The rally was presided over by Dai Xuejiang, deputy director of the Political Department of the Shenyang Military Region. Song Keda, deputy political commissar of the Shenyang Military Region, delivered a summing-up report.

Last summer, Liaoning, Jilin, and Heilongjiang Provinces as well as Xingan and Jirem Leagues in the Nei Monggol Autonomous Region were hit by serious flood one after another. The Shenyang Military Region dispatched more than 42,000 commanders and fighters and organized more than 500,000 persons on reserve duty and militiamen to bravely fight against the swift and violent floods for more than 2 months, together with the men of the Navy, the Air Force, and the Armed Police Force and with a vast number of civilians. Finally, they conquered the floods, and minimized the losses. Thus far, the Shenyang Military Region has received more than 900 letters of thanks from the localities, and 128 units and 305 individuals have been commended by the governments of Liaoning, Jilin, and Heilongjiang Provinces.

At this rally, Zhu Dunfa, deputy commander of the Shenyang Military Region, read out the order of commendation issued by the Shenyang Military Region. At the same time, four units were respectively conferred the titles of the model company in combating floods and sending disaster relief, the shock company in combating floods and conducting resuce work, the vanguard squad in combating floods and loving the people, and the [words indistinct] troop in flood discharge. In addition, 3 units and individuals were awarded the First-Class Citation of Merit, 9 units and 11 individuals were awarded the Second-Class Citation of Merit, 14 units and 9 individuals were awarded Third-Class Citation of Merit, and 36 units and 22 individuals were issued ders of commentation.

At the rally, (Li Jinsheng), deputy director of the Central Antiflood Headquarters, read out the congratulatory letter of the headquarters to the rally; and Song Yingqi, director of the Mass Work Department of the PLA General Political Department, read out the congratulatory letters of the three general departments of the PLA.

Liu Jingsong, commander of the Shenyang Military Region, spoke at the rally. He said: That the troops participate on flood combating and rescue work on a large scale during peacetime is of great significance to both the socialist construction of the localities and the construction of the troops themselves. While combating floods and conducting rescue work, the large number of commanders and fighers wrote a glorious chapter of ardently loving the motherland, being loyal to the people, and defending the four modernizations, and played a song of triumph for the victory in building socialist spiritual civilization with their model behavior of obeying the command, observing discipline, and tenaciously struggling against disasters.

Quan Shuren, secretary of the Liaoning Provincial CPC Committee, attended the rally. Li Changchun, acting governor of Liaoning Province; Wang Jinshan, vice governor of Jilin Province; and Wang Lianzheng, vice governor of Heilongjiang Province, spoke at a rally. They spoke highly of the tremendous contributions made by the Shenyang Military Region in their struggle to combat flod and conduct resuce work in northeast China, and praised them for their lofty spirit of rushing to protect the lives and property of the people.

TAIWAN BEGINS ELECTING MORE LEGISLATORS

HK240549 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1031 GMT 21 Nov 86

["Contention for Additional Seats in Taiwan's National Assembly,' Additional Posts of Legislative Councilors' Begins" -- ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 21 Nov. (ZHONGGUO TONGXUN SHE) -- The election campaign to win additional seats in the "National Assembly" and in the "Legislative Yuan" in Taiwan formally began today.

According to reports by Taiwan newspapers, a total of 306 people with or without KMT [Kuomintang] membership have registered as candidates in the elections of the two institutions. In the next 15 days, they will carry out a series of campaign activities to win more votes in all parts of Taiwan to gain the 84 additional seats in the National Assembly and the 73 seats in the Legislative Yuan.

Observers here hold that the results of the coming elections will have a great influence on Taiwan's future political situation, because the contention between the ruling KMT and people outside the party in the current campaign is extremely intensive.

After the KMT Central Committee plenary session of last March put forth a program for democratic reform, the authorities decided to lift martial law and the ban on organizing political parties -- the two things most frequently condemned by the people. These two decisions played a positive role in improving the ruling party's image.

At a meeting of the Standing Committee of the party central committee yesterday, KMT Chairman Chian Ching-kuo once again called on the KMT candidates to go all out to "strive for their objectives by making unremitting efforts."

After a long period of preparation, the political activists outside the KMT announced the founding of the "Democratic Progressive Party" last month, and held the party's first congress earlier this month to adopt the party constitution and party platform and to elect the party central leadership. Although the legal position of the new party has not been officially recognized by the authorities, the candidates of the opposition are still participating in the current campaign in the capacity of members of the new party, and the new party is also carrying out organizational actions to campaign for their candidates.

Observers hold that some slogans and ideas included in the party constitution and platform of the "Democratic Progressive Party" are the trump cards in its contention with the KMT in the coming elections. If the rate of votes for the "Democratic Progressive Party" declines, the party will revise some of their action programs to prevent new pressure from the ruling party. On the contrary, if the "Democratic Progressive Party" achieves satisfactory results in the elections, the ruling party will be forced to adjust some of its policies too.

Therefore, the year-end elections will not merely be contention between individual candidates, but will be a contention between the ruling party and the opposition party. The campaign situation and the election results will certainly be very noticeable.